

HOUSE OF ASSEMBLY.

Wednesday, October 3, 1951.

The SPEAKER (Hon. Sir Robert Nicholls) took the Chair at 2 p.m. and read prayers.

BULK HANDLING OF WHEAT.

Mr. STOTT—The construction of wheat silos at Devonport, Launceston, and Hobart, in Tasmania, has been recommended by the Parliamentary Standing Committee on Public Works in that State. No estimate has been prepared for the Devonport project, but the Launceston silo will cost £553,000 and that at Hobart £398,580. In addition, temporary bag storages, each of which will cost £6,000, have been recommended for the three centres. In its general comment the committee stated that something must be done to build up wheat stocks and relieve the present hand-to-mouth existence with regard to wheat supplies, and that it was generally held that bulk handled wheat was vastly superior in quality to that now available to the State in bags. Present handling costs of bagged wheat, it said, amounted to approximately 7s. per ton and would be reduced to a fraction of that amount under the new bulk handling scheme. Obviously, Tasmania is urgently concerned about the matter, believing that the prices of materials are bound to rise in future years and is prepared to make a stand now in order to get bulk handling silos there. In view of the statement of that committee will the Premier interview the chairman of the Public Works Committee in this State to see whether it can make an interim report on its inquiry into the question of bulk handling so far as it has gone, and if it desires further time to get over some of the difficulties, which it is admitted must exist, ascertain what further time it will require to complete its investigations?

The Hon. T. PLAYFORD—Quite recently the honourable member asked me to take up with the committee the advisability of increasing the present limit of £30,000 in the Public Works Standing Committee Act to a higher figure. I wrote to the chairman, who replied that his committee was of the opinion that it was not advisable to raise the limit, and also that it was expediting its investigation into the question of bulk handling facilities to the greatest possible extent. Under those circumstances I know the committee has the matter urgently before it, and I do not believe it necessary to make the representations suggested.

ACCOMMODATION FOR THE AGED.

Mr. MICHAEL—Has the Premier obtained a report on the provision of homes or hostels in country towns for aged people, about which I asked a question last week?

The Hon. T. PLAYFORD—I have received a report from Mr. McNally (chairman of the Children's Welfare and Public Relief Board), which is available to the honourable member. It shows the number of persons now accommodated in the Magill Old Folks Home, but only 12.92 per cent of them come from country districts. The numbers from the various country towns are—Eudunda 1, Gawler 1, Kapunda 1, Lobethal 1, Malpas 2, Mylor 1, Mount Gambier 1, Perponda 1, Peterborough 1, Port Augusta 4, Port Lincoln 2, Port Pirie 2, Spalding 1, Sutherlands 1, Whitwarta 1, and Whyalla 1. Admissions from the metropolitan area total 155. The report states that the Methodist Church has erected a home for old folk at Riverton, but some Methodist representative, Padre Strange I think, told Mr. McNally that, although considerable publicity had been given to the existence of the home, only two persons were now in it. The Riverton home can comfortably take 16, and perhaps 20 under emergency conditions. Some accommodation is available in the metropolitan area for male walking cases.

STATE BANK REPORT.

The Speaker laid on the table the report and balance-sheet of the State Bank of South Australia for the year ended June 30, 1951.

Ordered to be printed.

EARLY CLOSING ACT AMENDMENT BILL.

Mr. O'HALLORAN, having obtained leave, introduced a Bill for an Act to amend the Early Closing Act, 1926-45. Read a first time.

COURSING RESTRICTION ACT AMENDMENT BILL.

Mr. SHANNON, having obtained leave, introduced a Bill for an Act to amend the Coursing Restriction Act, 1927. Read a first time.

INDUSTRIAL CODE AMENDMENT BILL (No. 2).

Adjourned debate on second reading.

(Continued from September 26. Page 697.)

Mr. BROOKMAN (Alexandra)—I oppose the Bill as I do not approve of the inclusion of rural workers under the Industrial Code. Conditions in the country at present are so

good that a provision as suggested is unnecessary. By its inclusion now we would not be doing the rural industries a service. It would mean that a farmer would either have to observe the Code or, as an alternative, employ no labour at all. I believe that could lead to a dangerous state of affairs. The sincerity of those behind the Bill is obvious, but I am afraid that to some extent they are misled by conditions in secondary industries. Between employer and employee in the country there is a bond of mutual understanding which I do not think is to be found in secondary industries. In general, the employers have one, two, or three men on their wages sheet and they know them all personally. There is no friction to speak of. That relationship between employer and employee should not be interfered with by an outside body. The type of work done on farms is tremendously varied and it would be almost impossible to make an award for special work. The work varies considerably more than the work on pastoral holdings. This is particularly so in the Adelaide hills, where the farms are small and the enterprises indulged in extremely diverse. In every case farm workers do work more varied than workers on pastoral holdings or in secondary industries. It is difficult to agree with people who say that the agricultural industry is in a bad way and that the passage of the Bill would help it. Undoubtedly figures could be produced to show a trend in a certain direction, but they would not show the whole picture.

Mr. O'Halloran—A number of competent authorities have recently referred to the shortage of labour in primary industries.

Mr. BROOKMAN—There is a shortage of labour, and it is clear that the primary industries would be helped if more labour were available, but that does not mean that the Bill should be supported. The position in the agricultural industry is not as bad as it is painted. There is a spirit in the country which indicates optimism. There is much keenness amongst farmers to increase soil fertility. We do not yet know all the secrets of soil fertility, but farmers are taking a greater interest in the subject than ever before. Much development is taking place despite a shortage of labour and other difficulties. A very vigorous spirit is abroad in country areas today and the story that agriculture is declining and is doomed if the present trend persists is by no means a true picture. Reflecting for a moment on conditions in secondary

industry, members will agree that the troubles of the landholder are intensified in secondary industries; labour problems and industrial strife of all kinds in secondary industries have been serious and the output per man, I should say, has been dropping in the last few years. It would be difficult to produce figures showing the decline, but I have heard it said by so many people, on so many occasions, that it is falling that I am inclined to believe it, whereas the primary industries are, in my opinion, maintaining their position fairly well and many kinds of production are improving.

The factor which should be stressed in respect of the employer-employee relationship is that the employer is generally the owner and the manager. In most cases he has, at some time in his life, been able to do a job better than the employee; he probably knows how to handle machinery better, and under those conditions he is full of understanding for the problems that face machine operators. He is not the sort of person to stand around with hands in pockets saying, "Your output has dropped today" or "You are showing bad results," and generally there is a very good exchange of advice between employer and employee, and a sense of equality and lack of strain between them. I do not want to see a third party, in the shape of the Industrial Court, brought into these relationships. Farm conditions today are generally very good for the rural worker. They vary from fair at worst to extremely good at best, but an Industrial Court Award would have a levelling effect upon those conditions; the man who now provides the very best for his employees would be inclined to let them fall to the standard prescribed by the award, and it would have effect only if the employer were providing lower than award conditions. I do not wish to quote a lot of instances about the treatment of farm employees, but I do know that many of the stories we have been hearing—not in this debate—are not correct in these days. Fifteen or 20 years ago there may have been instances of injustice, but that is not the case now. I know of many cases in which employers have provided not only everything in the way of home comforts and necessities for their employees but also incentives which give them a greater enthusiasm for farm life. I do not know how incentives would be viewed if an award were granted, but I do not think employers would be encouraged to provide them. A man from a wheatfarming area told me of the way he treated his employee, and I was astonished. The employee gets a house

free of rent, as much water for his garden as he likes, free electric light, free petrol, and free meat. He may keep as many fowls as he wishes and obtain free feed for them.

Mr. O'Halloran—How long has he been employed under those conditions?

Mr. BROOKMAN—I do not know; but those facts were given me from a reliable source. Obviously that is not an average case. In addition, that employee gets a percentage of the gross receipts from the farm. An award for rural workers would have a levelling effect on employer-employee relations. Such conditions as I have mentioned would be less likely to apply in the future. I do not think a third party should be called in to arbitrate between employer and employee in rural industries, in which conditions are far superior to those obtaining in secondary industries. Production and output is greater in rural industries than in secondary industries. I do not think the argument that an award for these workers would increase their production holds water. I oppose the second reading.

Mr. McLACHLAN (Victoria)—Like the previous speaker, I represent a rural area and feel that I must oppose this Bill, because I cannot see the necessity for it. I do not consider it would be a means of increasing primary production. As usual, members opposite, to make their case more effective, went back to the dim dark ages to refer to measures introduced by our forefathers. The member for Port Pirie told members about his friend who lost his job because he decided to take a Saturday afternoon off. On the face of that a grave injustice was done that man; but there may have been other reasons for his dismissal about which the honourable member did not know.

Mr. Davis—He was the best worker I have ever met.

Mr. McLACHLAN—I have a good worker in my employ who took a Saturday off recently to go to Naracoorte. On returning to the farm he brought back a suitcase as full of grog as he was. He generally does that when he goes into town. Generally by Wednesday my employee has got the grog out of his system as well as out of his suitcase; but on this occasion when I went home on Friday I found that he was still full. I was told that the fuel which is put into our new methylated spirit lamps had kept him going all the week. Something similar may have happened to the honourable member's friend. The man who dismissed him may have had some justification

for doing so. By Saturday my employee was working well again, and on Sunday he put in extra time to make up for what he had lost during the week. The member for Thebarton went back 117 years to the days when men worked for 6s. or 7s. a week; but it was quite unnecessary, because today rural employers generally treat their employees particularly well.

Mr. O'Halloran—They cannot get them otherwise.

Mr. McLACHLAN—It looks as if they will always be well paid while they are in short supply. In my district employers are particularly generous toward their employees, some of whom received bonuses of between £500 and £800 last year. Some employers have even given their men motor cars and financed them in order that they could take up properties. There is no necessity for this legislation. The member for Adelaide asked "Why should not these men be allowed to go to the court?" There is no need for them to go to the court; in fact, they do not want to go to the court. The point is that the Labor movement wishes to organize them with a view to instructing them to go to the court. Unionism has never done anything to increase production.

Mr. McAlees—You want to keep the men disorganized.

Mr. McLACHLAN—While they are disorganized the Labor movement cannot organize them and that is what is worrying members opposite. If the Bill is passed union officials will ask the employers whether their men are union members. An employer may reply, "No, they do not want to be." The union could not take exception because there is no award covering these men.

Mr. O'Halloran—No shearer can work in a shed unless he is a member of the Australian Workers Union.

Mr. McLACHLAN—That may be, but a station hand in a rural area is not covered by an award. There is no union for him, but members opposite want to bring him into a union.

Mr. Davis—We can do that now.

Mr. McLACHLAN—Then why does the Opposition want this legislation? Apparently members opposite resent my remarks, but I hope the Bill will not be passed. It will not do anything to take people into the country and I am convinced that employees in country areas today are working under better conditions than ever before. The measure, if passed, would

give the trade union movement another weapon with which to restrict the efforts of primary producers.

Mr. CHRISTIAN (Eyre)—The arguments against this legislation need to be put as strongly and frequently as possible. Parliament must not let measures such as this pass by default. Many important changes in the industrial world in recent years have come about because of the indifference and apathy of the general public through not realizing their effects. Had the public, Government and employers realized the results of a 40-hour working week the innovation would have been most strenuously resisted. We are now reaping the bitter fruits of the introduction of the shorter working week. I know the Opposition is sincere in wishing to extend the Industrial Code to rural employees. This measure could eventually become law as the result of constant agitation, because constant dripping wears away the hardest stone. I stress that there is no necessity to extend the Industrial Code to agricultural workers, nor is it in any way desirable. The arbitration system involves two parties, each contending against the other. One side feels obliged to resist the demands of the other, and when cases go to the court it is seldom that agreement is reached in regard to hours of work or wages. The feeling of goodwill and co-operation which should exist between the employer and his men is destroyed. Antagonism creeps in and even over small things there is frequently friction and the wheels of industry do not run smoothly. We do not want this in the agricultural sphere because, by and large, we have harmony.

Mr. O'Halloran—Awards covering rural workers worked reasonably well during the war.

Mr. CHRISTIAN—They did not work at all. The Federal authorities attempted to institute a rigid system for agricultural industries. Rates of pay were specified and set hours prescribed.

Mr. O'Halloran—And the men were directed to work under those conditions.

Mr. CHRISTIAN—But the scheme did not work. The awards could not be observed because it is impossible to work set hours on farms.

Mr. O'Halloran—It was never intended to work in that rigid way, and you know it.

Mr. CHRISTIAN—The men were expected to work definite set hours at specified rates of

pay, but by common consent between both sides it was ignored because they realized it could not be applied as rigidly as the award provided. Consider activities on a farm which has paddocks with, say, 100, 200, or 300 acres which have to be ploughed or planted. Particularly when it comes to harvesting the difficulties of observing set hours are at once apparent. A man may start at the set hour in the morning and do a number of rounds, but he could never so regulate the work that he would be always punctual at lunch time. He may have a breakage or a big stump may be tangled in his plough or combine; and every farmer knows what is entailed to get a machine cleared of such an obstruction. It may take half an hour. The same position could occur at knock-off time and his routine could be completely upset. Who is going to keep the employee's time? At harvest a man may set out with a header or harvester and have a breakage or experience difficulty with the tractor, and not get home even by sundown. Under a 40-hour week if he is to work to the set hours laid down in the award he should be in by 5 o'clock or otherwise overtime will be debited against his employer. If he is at the far end of a large field when 5 o'clock arrives, who is to say at what point he should knock off or just when his overtime should commence? When it comes to seasonal work, such as harvesting, how could a set number of hours apply in the daily toil? When the weather is favourable harvesting proceeds from early morning until late afternoon, otherwise there is the likelihood of the loss of part of the crop through its becoming over-ripe, or the straw becoming so rotten that it lodges, resulting in half of the crop being lost. A thunderstorm or a fire might threaten. At harvest time everyone has to turn to and work really hard to save the crop so that people may be fed and the income of the farmer assured, and incidentally so that the employees can get the full reward for their labours. Imagine a crop being lost because full opportunity was not taken to work the longer hours I have indicated! It could even ruin the farmer and then how would he be able to pay his employees? The Leader of the Opposition suggests that the court would determine the number of hours to be worked. I do not know of any court which would be prepared to give an award that did not include the 40-hour week principle. Despite what Mr. O'Halloran says the man would be paid on the 40-hour week basis and any excess time, either by agreement or covered in some award, would be at penalty rates.

Mr. O'Halloran—You know that that operates now. The farmer pays more at harvest time.

Mr. CHRISTIAN—He does by agreement with his men. I should much prefer that system to continue. Surely men are still sufficiently free in these supposedly enlightened times to come to an harmonious agreement, which will be honoured and satisfactory to both parties—an agreement which will unquestionably be much more advantageous to the employee than the award of any court. The award would undoubtedly have regard to the wages paid in other industries, and possibly the farm worker would not get the favourable terms he is getting today. Wages under an award might be closely related to those generally paid in factories or other industrial fields, whereas under the freely arrived at agreements operating between most farmers and their men there is provision for a much better wage than is paid in factories and all the other advantageous conditions mentioned by Mr. Brookman, such as free meat, milk and a house. Frequently a percentage return of the crop and other produce marketed by the farmer is paid to the employee. That system should be encouraged. It is far more satisfactory to provide the employee with a nominal wage and then give him a substantial percentage of all farm returns. Under that system the better the employee works the greater his return, and that is what we want to see. That makes him disregard working a little longer at certain times of the year. Frequently during harvest the farmer works not eight hours a day, but 10 or even 12.

Mr. Davis—But he is getting well paid for it.

Mr. CHRISTIAN—And so is the employee under the share system I mentioned. That is the system I want to see encouraged and spread to a much greater degree. It is far superior to placing farm employees under an industrial award where they will be limited to certain wages and working hours.

Mr. Davis—Any employer could pay above the award rates.

Mr. CHRISTIAN—I do not object to a reasonable wage. I want to see the farm worker get a decent wage to enable him and his family to live under the best possible conditions, but that would not be possible under award conditions in the same way as it is under free conditions. At present farmers have to offer attractive conditions to get labour; therefore, the employees are a great deal better off than they would be under award conditions. If we have a similar wave of prosperity in the

future and the Industrial Code applies to the agricultural industry there will not be the same returns to farm workers as there are at present. In the industrial field there is antagonism between one section and another. When one section approaches the court for higher wages or better working conditions the other section feels in duty bound to oppose it. There is rivalry and antagonism instead of co-operation and goodwill. The average farmer works harder than his employee, and that is natural for he gets a greater reward. It is said that there are some abuses now, but the passage of the Bill would make the position less favourable than it is today. Once the award system were introduced there would not be the same co-operation and production as there is today.

Mr. McAlees—That is what the employers said 100 years ago.

Mr. CHRISTIAN—Raking up the past does not help in any way. It only rankles in the hearts of the people concerned. The position in these days is the reverse because the employee generally dictates his own terms. I do not begrudge his trying to get better working conditions, but despite the improved conditions available today there is an acute shortage of farm labour. That position would not be improved by having an award for the industry. There are many reasons for the labour shortage.

Mr. Davis—Conditions are not attractive enough.

Mr. CHRISTIAN—Greater amenities are available in the city.

Mr. O'Halloran—One main reason is the bad conditions of the old days.

Mr. CHRISTIAN—They do not exist today. By raking up that matter the Leader of the Opposition does not assist his case.

Mr. O'Halloran—Because of bad conditions rural workers have left the country.

Mr. CHRISTIAN—In recent years rural workers have left the country in droves. Conditions under an award system would not be as good as the conditions which existed during the war, and which have existed since. There has been no complaint from the rural workers about their wages and working conditions. Despite this, tremendous numbers have drifted to industries in the city because of the high wages, the shorter hours of work, and the general amenities available. The bright lights have attracted our country youth, and they are in Adelaide basking in the moonshine of the 40-hour week. It will be difficult to get them

back to country districts, and the expansion of the Industrial Code as proposed would not improve the position. At a dairyman's conference at Mount Gambier recently the dairymen made it clear that if the 40-hour week applied in their industry, and overtime rates had to be paid, the price of butter would rise to 6s. or 7s. a pound.

Mr. O'Halloran—That is not a point, but a fabrication.

Mr. CHRISTIAN—No. I made the point in another debate a few weeks ago when I referred to what would happen in the agricultural and allied industries if there was the same attitude towards work as applies in factories. If we had the same antagonism as exists in many factories, and the same reduced output, which would inevitably follow because of that spirit, the cost of production of food-stuffs would rise. That would be reflected in living standards to the detriment of the man on the basic wage, who would get it in the neck more than anyone else. For these reasons it would be a mistake to accept the Bill. Let me repeat my reasons for opposing it. Firstly, it would inevitably involve the introduction of a 40-hour week in agriculture.

Mr. O'Halloran—Why?

Mr. CHRISTIAN—Because I cannot believe that any lesser court would adopt hours longer than those set by the Commonwealth Arbitration Court throughout the Commonwealth; I think that is a strong and irrefutable reason. The 40-hour week would be very costly to operate, and the whole thing would eventually break down because the cost of producing food-stuffs would mount so high that the cost of living would spiral out of sight. The next point is the impossibility of adapting any set-hour system to agriculture, where the conditions are so entirely different from factory conditions. Where the workers are employed at benches they can be clocked in and out easily and the regulation of hours is a simple matter, but where the worker is at the other end of a large field who is to check when he has completed his prescribed hours, or even see what he does?

Mr. O'Halloran—The Pastoral Award works very satisfactorily.

Mr. CHRISTIAN—With all deference I submit that the conditions are very different.

Mr. O'Halloran—The paddocks are much larger.

Mr. CHRISTIAN—I know that, but it is much simpler to deal with a flock of sheep or a fence than with a field of wheat and all the incidental jobs on a farm.

Mr. Davis—What about the fruit picker?

Mr. CHRISTIAN—Let the fruit picker speak for himself. I speak for those I know, and I am convinced that it would be quite impracticable to attempt to regulate the hours of work on the farm as is suggested. I do not know of any complaint by farm workers about the hours they work. Although at harvest time and in the summer generally they work long hours, and are prepared to do so, they get easy times at other periods of the year; between seeding and harvest, and harvest and seeding time there is a great deal of slack time when the work is not so strenuous. I doubt very much whether the hours then would be even 40 a week, for the farmer is usually easy-going and if things are slack the whole family and the farmhand go off to the football, or cricket, or any mid-week sporting event in the district.

Mr. O'Halloran—I think the honourable member would agree that no farmer works 40 hours a week all the year round.

Mr. CHRISTIAN—I would not like to say that because I think the farmer works usually much longer than his employee, for when the employee brings in his team or tractor at the end of the day the farmer still has to feed the pigs, or attend to the horses, or carry out some of the other innumerable jobs around the home.

The Hon. Sir George Jenkins—And he has his books to attend to at night.

Mr. CHRISTIAN—That is so. It is therefore impracticable and futile to extend the Industrial Code to agriculture, and I rose to make my view plain and to register a strong protest against this attempted intrusion into the agricultural sphere, for if we do not vigorously make out standpoint known on these matters these ideas are likely to gain ground and eventually be put into practice.

Mr. TAPPING (Semaphore)—I have listened with considerable interest to the three previous speakers this afternoon and with grave disappointment at some of the sentiments expressed. To sum up, they condemned something which has never been tried in South Australia and seemed very fearful of the consequences. Mr. Brookman said that conditions in the country are so good today that there is no need to introduce the Industrial Code. We agree that it is because conditions throughout the whole of Australia are good that the farm labourer is getting reasonable treatment but, with the experience of previous years and the depression and the thought of what might occur in the future, we feel it is time to introduce something for the good of

the man following agricultural pursuits. Every farmer today is getting a reasonable return and is therefore able to give his employee a reasonable deal. In saying this I do not reflect upon the farmers of South Australia in general, but there are some who are not prepared to give the working man reasonable conditions, so if we had a code the men themselves would be happier and the employer would have no cause to complain. Mr. Brookman said also that if an award were granted some farmers would not engage labour. That was a very weak contention because the average farmer today is very prosperous and if he banned employees he would be unable to produce the wheat and other products to supply the markets of Australia and the world.

Mr. Brookman—A lot of small farmers do not employ a man regularly.

Mr. TAPPING—They would because they are financially in a position to do so. Mr. Brookman also said that we cannot compare the workers in primary and secondary industries. I see no reason why we should discriminate between them; they are all doing a job for the benefit of the State, and to give the man in secondary industry better conditions than the man following rural pursuits is unfair.

Mr. Brookman—There is an entirely different spirit between them.

Mr. TAPPING—I contend that whatever obtains in the country obtains also in the metropolitan area. It is human nature to differ, and if we differ in the city those in the country must differ also. He spoke about the spirit of optimism now prevalent in the country, but I have visited the country a lot in the last few years and gathered that many people are rather pessimistic about the treatment they receive.

Mr. O'Halloran—Very much so at the moment.

Mr. TAPPING—So optimism does not prevail, and the workers are very alarmed. That is why the drift to the city has been accentuated and will continue. Murray Bridge, for example, has been invaded by farmers who have retired and come to live in the town. Some men who have retired from the dairying industry want to see the workers in that industry get a better deal. The press recently reported that certain dairy farmers had requested their employees should be put on a 40-hour week basis. Mr. Brookman spoke of low production in secondary industries, but he did not give enough evidence to emphasize his point. Recently Professor McKenzie was

asked by the Victoria Government to inquire into production since the introduction of the 40-hour week in Australia. He investigated 70 industries in Victoria and reported that their production was as great as before the introduction of the 40-hour week. The reason for that is the improvement in industrial technique and machinery. The honourable member spoke of progress made in the primary industries, but failed to give any figures to substantiate his claim. I understand that primary production in South Australia has fallen off, and this is borne out by such instances as the present potato shortage. This falling off will continue until people are encouraged to go into primary industries. This Bill could be the means of enticing more people to work on the land. Mr. Brookman referred to a worker receiving great benefits such as free milk and petrol from his employer, but what wages is he receiving?

Mr. Brookman—£8 a week.

Mr. TAPPING—That employer is an exceptional type and should be commended. He would probably welcome the passing of this Bill. Mr. McLachlan said that the making of an award to rural workers would not increase production, but he did not prove that statement. If the production of primary products such as potatoes could be increased, it would be appreciated by all South Australians. He referred to a drunken employee, but the case was so isolated that it has no particular merit as an argument in this debate. He quoted cases in which an employer had given an employee a motor car. Such an employer would welcome the provisions of this Bill. If an opinion were sought from rural employers, it would not be the same as that expressed by previous speakers this afternoon. They would welcome the Bill, because they are concerned about the drift of their employees to the city, and its provisions would help to equalize city and country populations. Mr. McLachlan said there was no need for a union to look after the interests of rural employees; but I point out that the Stockowners Association performs a necessary function in representing certain rural employers, and I cannot see why their employees should not have a union to represent them.

Mr. Christian said that if employers had foreseen the effects of the 40-hour week they would have resisted more strongly its introduction; but employers played a big part in resisting it. This and other Governments sent representatives to the Court hearing to oppose

it. The honourable member said that the introduction of the 40-hour week had been a tragedy, but the same thing was said about the reduction of hours from 60 to 48. Later it was said that a reduction to 44 hours would adversely affect production, but this proved untrue. Mr. Christian's statement regarding the disastrous effect of shorter working hours has no foundation. He condemned the arbitration system saying that it has brought about discontent between employer and employee; but I remind him that the Menzies Government and previous Federal Governments have advocated arbitration and that employers and employees have been satisfied under it. It is a means by which both employer and employee may put their case to a judge who decides between them. This system has been highly successful in Australia.

Further, Mr. Christian said that perfect harmony exists between rural employer and employee, and that such does not exist in the city. Has there been a major strike in any South Australian secondary industry within the past 10 years? The small differences between employers and employees are the result of human nature and will occur both in the city and in the country. Today 60 per cent of Australians live in the cities and 40 per cent in the country. During the last 25 years the drift from the country has totalled 10 per cent of our population. This Bill will help check that drift. At present the country worker is being attracted by the bright lights and the many amenities to be enjoyed in the city. It is our duty to try to improve the conditions of country residents and particularly those of country workers. I support the Bill.

Mr. MICHAEL (Light)—I oppose the Bill. Section 5 of the Industrial Code defines "agriculture" as including:—

Horticulture, viticulture, and the use of land for any purpose of husbandry, including the keeping or breeding of livestock, poultry, or bees and the growth of trees, plants, fruit, vegetables, and the like.

Clause 5 deletes that definition. That would be a backward move, and would not bring about what is claimed by members opposite. Certainly it would not increase agricultural production. It would tend to aggregate the agricultural industry into large holdings. The Industrial Code works fairly satisfactorily in the pastoral industry. I am not opposed to the worker enjoying good conditions and receiving the best possible wages. Although not a member of a trades union I have had to work very hard in my time—certainly as

hard as any unionist. Mr. Tapping said there was no difference between the agricultural and industrial worker, but there are very great differences, some of which have been brought about by the ramifications of the Industrial Code. People in secondary industries are divided into two sections—the manager and staff who are white collar workers and the men who supply the labour required in the factory. Antagonism exists between these two sections, but that does not apply to anything like the same extent in the agricultural industry. In the pursuits mentioned in the definition of "agriculture" in section 5 the employer usually works with his employee.

Mr. Fred Walsh—What does the honourable member know about employees in vineyards?

Mr. MICHAEL—Employment on vineyards is mostly seasonal, but I believe conditions in this industry are as good as in others. Employers and employees work together in rural industries. In many cases the employee is provided with sleeping accommodation, often under the same roof as the farmer. He usually eats at the same table and even shares his pleasures with the farmer. Sometimes he marries the daughter of the house and eventually inherits the farm. Those conditions do not apply in secondary industries and the extension of the Industrial Code to cover rural workers would break down the harmony that exists today. Some members spoke of the days when employees had to sleep in reaping machines, but that was many years ago. However, that was little worse than the conditions under which the farmer and his family were living. I was farming during the depression years and came in touch with many men who left the city to work on farms under the conditions criticized by members opposite. Those men were prepared to work on farms because their working conditions were better than they could get in the city. If it again became difficult to obtain employment in secondary industries many men would return to the country. Employees have not left the country because of low wages, but because of other factors. Young people like to enjoy the amusements available in the city and this has caused the drift from the country. Farms should be split up as far as possible, so long as a good living is available to the farmer. That would mean only one or two employees on each farm. The extension of the Industrial Code would break down the happy relationships between farmer and employee today. While rural workers have satisfactory working arrangements with their employers there is no

reason to bring them under the operation of the Industrial Code. Far from benefiting employees, it would have the opposite effect.

Mr. HEASLIP (Rocky River)—I, too, oppose the Bill. It seems that members opposite have not considered the effect it would have on the economy of the nation. I wonder whether they have considered its effect on the cost of living. Our secondary industries would be unable to compete with those of other countries. It would mean the ruin of our primary and secondary industries because other countries could produce goods at a lower cost.

Mr. Davis—Are farm workers getting higher wages than employees under awards?

Mr. HEASLIP—Some are because our primary industries can afford to pay high wages today. The Leader of the Opposition stated that the L.C.L. opposed the extension of the Industrial Code because the employers could not pay the standard wages. In the end the consumer has to pay for the wages paid to employees in primary industries. Wheat and dairy prices are linked with an index figure and as that rises so the price of primary products increases. The conditions of 20 years ago do not apply today. Primary producers at that time had to accept what consumers were prepared to pay, but today we have a guaranteed price tied to the cost of production.

Mr. Davis—If an award were made covering rural workers would there be an all-round increase in wages?

Mr. HEASLIP—I do not know, because the Arbitration Court would fix the wages. I know that employees cannot produce as much in 40 hours as in 44. The introduction of a 40-hour working week in rural industries would not benefit the employee. Nothing is worse than boredom, and if the workers worked only from Monday to Friday there would be nothing to do on the other two days of the week. There would then be a greater drift to the city than now.

Mr. Frank Walsh—Is a 40-hour week mentioned in the Bill?

Mr. HEASLIP—No, but we all know a 40-hour week would be prescribed in any award. The member for Semaphore said we have never given these provisions a trial, but there was a harvest award.

Mr. Davis—Wasn't that satisfactory?

Mr. HEASLIP—Certainly not. By mutual consent employers and employees ignored the war-time award and are ignoring it today. In addition we have a pastoral award.

Mr. Fred Walsh—It has not ruined the pastoral industry.

Mr. HEASLIP—No, and it has not produced one more shearer, but has produced more inefficient and careless shearers than ever we had before—men who do not stick to the award but demand £2, £3 or £4 more per week and, if you do not grant it, walk out. As Mr. Christian said, it is impossible to regulate the hours of work on a farm. If the weather is suitable during harvest, 12, 14 or 15 hours a day are worked. This year our harvest returns will be considerably reduced because a large area was not seeded, despite the fact that farmers worked as long as weather conditions permitted. If a 40-hour week had applied the area sown would have been even smaller. Mr. Tapping blamed the conditions in the country for the drift to the city, but the introduction of an award as proposed would accentuate that drift. The drift is due to the greater amenities in the city. If an award would provide such amenities the drift would be prevented, but one knows that it would have no such effect. I oppose the Bill and if it is ever carried much harm will result.

Mr. STEPHENS (Port Adelaide)—When I first entered the Labor movement more than 50 years ago the arguments we heard today were used against the introduction of similar legislation. I was on the first wages board in South Australia, of which Mr. Parker, now Clerk of the Parliaments, was secretary, and it was said then that if the hours of labour were fixed and drivers worked less than 60 hours a week the industry would be ruined and carriers would "go insolvent"; yet, some of those employers are now living in luxury. Members opposite tell the public that the Liberal Party is opposed to strikes and that they believe in arbitration. In that respect they have been misleading the public for years. Now that they have an opportunity to vote for arbitration they intend to oppose it. They have been returned to Parliament by misrepresentation. The Bill does not deal with a 40-hour week, but the object is to enable the Government to appoint a wages board to deal with the wages and conditions of rural workers. Members opposite are not prepared to trust the courts or the judges appointed by their own Government. I hope that some of their speeches today will be recorded in the press so that their constituents will see that they have not been sincere when speaking in favour of arbitration. Some time ago I was approached by a number of gardeners from Paradise and

Payneham who complained that they could not compete with foreigners. They wanted to know if Parliament could do anything to protect them. Their position was due to the fact that they had opposed a wages board for their employees to enable them to receive decent wages, and consequently they had left to undertake work in the city. Married men were being paid 15s. and £1 a week and received free vegetables. They had to work every day of the week including Sundays and holidays and deliver to market at night. Their conditions were so bad that they left their employment as soon as possible. Foreigners were taken on in their places and started to work under the share system with the result that many have taken the places of British subjects. Our returned men cannot compete with them because they work in groups. If a wages board were appointed it would consist of an equal number of employers and employees with a chairman appointed by the Government. Judging by the way members opposite have spoken this afternoon it can be taken for granted that the Liberal Party is directly opposed to arbitration.

Mr. McLachlan—We abide by it and that is more than your Party does.

Mr. STEPHENS—You are not prepared to give it to rural workers. I have always believed in arbitration and abided by it. When I was secretary of the Drivers Union there was only one strike. Members opposite were returned to this House by false pretences and by misleading the public.

The SPEAKER—Order! It is not Parliamentary to say that a member was returned to the House by false pretences.

Mr. STEPHENS—Then I will say that they got in by false promises. They should vote for the Bill and thereby show the people that they believe in arbitration and are prepared to give it a trial. I have heard some of them say that they want decentralization. In this regard the Premier did a good job when his Government took over the Adelaide Electric Supply Company, enabling electricity to be provided in many country districts. That was certainly something in favour of stopping the drift to the city. Farm labourers and others cannot be expected to work in the country under some of the conditions now prevailing when they can come to the city and enjoy all the amenities. Members opposite are wrong in opposing the Bill, because that is in opposition to their policy on arbitration. If I did not believe in arbitration I would cross to the other side of the House. I support the Bill.

Mr. PEARSON (Flinders)—I oppose the Bill. I am pleased that there are still in the House a number of practical farmers. There appears to be much misunderstanding of rural conditions among members opposite. I think they approach this legislation from the point of view of their experience as secretaries of unions or workers in industry, but I do not blame them for that. The conditions which they experienced do not fit in with those under which this legislation would operate. Conditions in primary industries are entirely different from those in industry in the city. Most of the speakers on this side have emphasized that the conditions of work differ, and there is no point in my going over the ground again. The differences which occur between the country employer and his employee cannot be best solved by the intervention of a third party, which will hear only second-hand the conditions in dispute. They can be best solved by the direct approach of the employer to the employee, or *vice versa*. Mr. Henry Ford, the great employer of labour in the United States, said that one of the evils of industrial life was the fact that it created a vast chasm between the employer and his employees, and that it built up an impersonal set of circumstances where it apparently required an organization to speak for each side, with the decision being given by a third party. Under Australian conditions the third party is the Arbitration Court.

Mr. Stephens said that we on this side, being supporters of arbitration, are not running true to our principles in opposing the Bill, but the Arbitration Court is not in itself an end to be desired. It is merely a remedy, or an attempt to remedy, the problems which have been created by the circumstances of our industrial life. We do not consider it necessary to introduce legislation merely to bring rural work within the scope of the Arbitration Court. There is no need for an arbitrator where the two parties concerned sit at the same table and eat the same kind of food, or eat together in the field. There is no need for a third party when the employer and his employee play in the same football or tennis team, or go to church together. The intrusion of a third party into the close relationship which exists in our rural life is entirely unwarranted, and can bring no good. The greatest problem of our industrial set-up is that many employers and employees are so far removed from each other that they cease to appreciate the other's point of view. Because of

that it becomes necessary for someone to act as an intermediary when a dispute occurs, but everybody in rural life agrees that because of the small number of men employed by farmers on individual properties they can solve their own problems instead of having the assistance of a third party. Mr. Brookman spoke about working conditions of rural workers, and he was twitted by members opposite that the case quoted was an isolated one, but it was not, because it is typical of many cases. It was not an argument for having an industrial award for rural workers. When conditions are laid down arbitrarily they tend to become standard, and other things are brought down to their level. The introduction of an award for rural workers will not help. The country worker has not asked for the legislation.

Mr. Davis—He has.

Mr. PEARSON—If that is so I am surprised that the Leader of the Opposition did not give concrete evidence of it.

Mr. O'Halloran—I thought it was so obvious that I did not think it necessary to mention it.

Mr. PEARSON—That is an easy way of getting out of an awkward situation. No party covered by the Bill has asked for it. Mr. Tapping tried to convince members that employers want the legislation, but I am satisfied that they do not. The whole case in support of the Bill rests on two main points. The first is that the rural worker will benefit, but I think I have effectively exploded that point of view. The figures which Mr. Brookman quoted do not refer to an isolated case. So far as I know no group of employers or employees wants the Bill.

Mr. Davis—That is why all market gardening employees are organized.

Mr. PEARSON—Certain workers have become organized, but I do not think the products of market gardens or dried fruit areas are greater because employees in the industries work under awards.

Mr. Davis—They do not work under awards.

Mr. PEARSON—Some do. The Leader of the Opposition quoted some remarks by Mr. Menzies, the Prime Minister. I was pleased about that because it is a tribute to a worthy gentleman. Mr. O'Halloran said that the Prime Minister referred to the need to increase our rural production. That is true, not only for the requirements of Australia, but for the requirements of countries which rely on us for food-stuffs, but the Prime Minister did not say anything about the introduction

of an award for rural workers. The Leader of the Opposition also mentioned some comments by the Director of Agriculture, but he did not suggest that an amendment of the Industrial Code would overcome the lag in production. Mr. O'Halloran said that our primary production is not increasing largely because there is no award for rural workers. If awards are a solution to production why is it that industries that work under awards are not producing plentiful supplies of goods? I oppose the Bill because I think it will disturb the present harmonious conditions in our rural industries. The legislation is not wanted and it will not solve the problem which sponsors say it will solve.

Mr. MACGILLIVRAY (Chaffey)—I feel it is my duty to speak on this Bill instead of giving a silent vote. Mr. Quirke and I are probably the only two members who have worked in a primary industry under a court award. I am surprised that political troglodytes come up with the old stock arguments which have existed for 50 years. They give merely lip service when they say no people are more anxious than themselves to provide better conditions for rural workers. Such things as motor cars, petrol, and houses have been mentioned, and someone even suggested free beer. One suggestion was that rural workers could marry the daughters of farmers and inherit farms. Mr. Christian was anxious that we should forget all that has happened in the past, but Mr. Dunks has on various occasions rightly pointed out that what has happened in the past is often a true picture of what will happen in the future. It is only by paying heed to what has happened that we can safeguard the future. Some of the remarks this afternoon brought vividly to my mind what happened within the last 12 years, when the member for Ridley asked the Minister for the day—I think it was the present Premier—whether he would see that a farmer was allowed to pay his son 10s. a week for working on his farm, and the reply was that it could not be done because the man was working under the terms and conditions which existed at that time. Had such legislation as this been in existence, and an award been operating, the Government department controlling the destinies, not only of the farm employee but the farmer himself, could not have refused that son his 10s. a week, and it could not have kept the farmer down to such miserable conditions; so harsh, I understand, that he had to set down in writing

a list of the underclothes he proposed to buy for his wife. That is the other side of the story. If Government supporters argue that farm employers provide motor cars, petrol, and beer for employees, we on the other hand can argue on what really did happen. Although it is true that the wheat and wool industries are sitting on top of the world today, will any member opposite give an assurance that such conditions as I have mentioned are not likely to recur?

Mr. O'Halloran—Farmers in the district of Eyre took direct action.

Mr. MACGILLIVRAY—Yes, and some of them were made criminals, not because they were dishonest, but because they were the victims of circumstances. Before I conclude I hope to show that this measure would not only help the employee but the employer as well. As the position is now, on the word of Government supporters themselves, farmers are anxious to do all these things which they say are being done for the employees, but only under terms and conditions which they impose; something of what was once known as the Lady of the Manor; something given, not as a right, but as largesse. As far as I know all that this Bill does is to give the employees the right to go to the court and the court to fix the terms and conditions under which his employment shall be carried out. If the kind hearted farmer still desires to give motor cars, petrol, and beer, and even allow the labourer to marry his daughter and ultimately inherit the farm those things can still be done, so what is there to worry about? It seems to be sheer political hypocrisy. I was closely associated for many years with agricultural activities and I gained far more knowledge from that than from personal experience as an employer. I remember when farm labourers in Scotland were working six days a week, 10 hours a day, from 6 a.m. to 6 p.m., with two hours off in the middle of the day, not for the benefit of the men, but so that the horses could be fed and rested. Eventually the agricultural workers in Scotland organized themselves and obtained an award from the court. This award provided that every farm labourer was entitled to a half holiday on Saturdays, which reduced the working week to 55 hours, but that was not the whole story. Mr. Christian told us a blood curdling tale of what will happen under an award, but—and this is a very interesting point—the Scotch award excluded seed time and harvest. That shows

that a court can make any award it sees fit. The Scottish court felt that the half holiday should not apply during seeding and harvesting times. Therefore it does not follow that if this Bill is carried—and I am under no illusion that it will be—but should it be carried in the future by a more intelligent Parliament, there is nothing to prevent the court from making any terms and conditions it sees fit, and that is the basis on which we should discuss it, and not to build up horror stories of ruin, for the agricultural worker is the only section of the community that I know of which is not allowed the same protection as the rest of the community.

Every argument used against the Scottish agricultural worker 50 years ago was repeated in this Parliament this afternoon, practically word for word—“You are going to ruin the primary producers”; “Stop the production of foodstuffs”; “How are we going to keep seed time and harvest going if these things happen?” They have not happened in Scotland or England where they have been doing very well since World War II. It is not the arbitration court award or the workers who are ruining the farmers of Great Britain. It is the policy of the Central Government which wanted cheap food. For many years the fruit growers on the River Murray have been working under an award and the most peculiar aspect of that award is that, although the courts awarded a 44-hour week the industry by some form of negotiation not clear to me, agreed to reduce it to a 40-hour week. Actually that is further than I would desire to go, for I believe in arbitration and in carrying out the dictates of the court. If the court granted a 40-hour week I would be prepared to operate under it but if, as in this case, the court fixed a 44-hour week we should carry out the wishes of the court. Of course, if the employer wants to work less and pay more there is nothing to prevent his doing so, but I suggest it would be a good thing to obey the ruling of the court. Those engaged in the dried fruits industry have not been put out of production even through the 40-hour week. Indeed, the award has given a stability we would not have had without it for we have to get a certain price on the home market and that price has to be justified. Therefore the very fact that we are paying our workers a just wage and giving them reasonable conditions is considered when the price of dried fruit is fixed, and the time is not far distant when the wheat industry will be selling the

major part of its product on the Australian market. When that day comes wheat will be sold at a controlled price, for Governments, both State and Commonwealth, are evidently tied to a control policy. When farmers ask for a price to be determined how can they say what are the terms and conditions in their industry when none is laid down?

Mr. Quirke—That has always been their difficulty.

Mr. MACGILLIVRAY—No Prices Commissioner will fix a price unless the costs of production justify it.

Mr. Heaslip—It has been done in the case of wheat.

Mr. MACGILLIVRAY—And it is not very satisfactory, is it?

Mr. Heaslip—It is working all right.

Mr. O'Halloran—But a member on your side said the award had been repudiated?

Mr. Heaslip—It is the cost of production figure in the award.

Mr. MACGILLIVRAY—The honourable member seems to have made a statement which refutes what he is saying now.

Mr. O'Halloran—If there is no award how can they arrive at the cost of production?

Mr. MACGILLIVRAY—If the honourable member had to appear before a Prices Commissioner what would he say?

Mr. Heaslip—We did and what we put was accepted.

Mr. MACGILLIVRAY—Had the honourable member told us about the formula which was accepted for the cost of production we would have known how to debate it, but I cannot see how he can claim to have given a cost of production figure. At best he can have given only average figures. He cannot say that the farmer has to pay a certain figure under an award, or work certain hours and pay overtime as other industries can say. The dried fruits industry can give facts and figures for every item of cost and there is no argument about it, but an unorganized industry cannot do that. Mr. Brookman mentioned butter, but a substantial proportion of the butter producers of Victoria are applying for award conditions because they see it is going to help the producer.

Mr. Heaslip—It is based on a 56-hour week.

Mr. MACGILLIVRAY—Exactly, and that will be taken into account in the price they get for their butter. If they worked a 40-hour

week the price would be fixed accordingly, and do not forget that many of the employees are sons of the employers.

Mr. Heaslip—And the cost of butter must go up and the consumer must pay.

Mr. MACGILLIVRAY—Of course. Is it argued that the farmer is going to employ men at lower wages than there is any need for simply to give other workers cheaper food? Of course you have to pay more unless the Government subsidizes the cost, as Great Britain has done. I would not accept the contention that because a man works for a farmer producing foodstuffs he has to accept lower living conditions than the consumer in the city, but that is exactly the tenor of Mr. Heaslip's argument. It makes one wonder how little of economics some members behind the Government benches know. The point I make is that whether this Government likes it or not sooner or later, of necessity, all primary industries will have to be organized to the limit if they are to survive against the forces ranged against them, and broadly speaking those forces are in the capital cities which would be prepared to exploit the primary producers if it meant cheaper food for them. I support the Bill.

Mr. GOLDNEY (Gouger)—I oppose the Bill, and will confine my remarks to that phase of agriculture about which I know most—the activities of the mixed farmer who grows some wheat and other cereals, keeps a few cows, poultry, and pigs, runs a few sheep, and breeds a few fat lambs. I emphasize the difficulty mentioned by the honourable member for Eyre with regard to working hours on a wheat farm during seed and harvest times, when an eight-hour day, say, between 8 a.m. and 5 p.m. would be difficult to apply. If rain is falling it is impossible to start work at 8 a.m. Most awards provide overtime rates, and in some cases employees may be encouraged to work after hours for penalty rates rather than work during ordinary hours. Wheat cannot be harvested in wet weather or while dew is lying on the ground, as may happen even in the summer. Sometimes a wheat farmer must wait until 10 or 11 a.m. before starting harvesting. In those circumstances he generally works until late in the afternoon. On a really wet day no work at all may be possible, and then overtime must be worked later when the weather is favourable. The aspect of overtime must be considered. If harvesting is not started until 10 a.m. work must be continued until 6 p.m. or later. Often in the evening

conditions may be suitable for harvesting, and then it is desirable that the farmer and his men shall work. It is difficult to work set hours in the agricultural industry, particularly on wheat farms at times of harvesting.

Mr. Davis—At what hour does the wheat farmer generally start work?

Mr. GOLDNEY—It depends on the weather. Sometimes it is impossible to work at all on a wet day at harvest time.

Mr. Davis—The award could provide that work shall start at 10 a.m. and finish at 6 p.m.

Mr. GOLDNEY—What about the day on which no work can be performed? At present a reasonable understanding exists between rural employer and employee. Too many Australians are producing nothing today, and the more union secretaries and organizers there are to look after the interests of certain sections the more people there will be doing nothing. It has been said that the farmer is well paid for any overtime he works; but I remind members that in the drought years and in years of low wheat prices a farmer might show a loss on his year's work. The honourable member for Semaphore spoke of a shortage of potatoes; but a worker working a five-day week should be able to find time at the week-end to cultivate a few potatoes and help relieve that shortage.

Mr. HUTCHENS secured the adjournment of the debate.

OFFENDERS PROBATION ACT
AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from September 26. Page 698).

The Hon. T. PLAYFORD (Gumeracha—Premier and Treasurer)—I have read the second reading speech of the honourable member who introduced the Bill, and have also studied the Bill itself. I think there are one or two principles in it which have not been quite clearly worked out and which in the ultimate result may not produce the effect desired by the honourable member. On the other hand the Bill as drafted is not repugnant to me, and I think that with an amendment which I regard as vital it could be accepted. Clause 3 provides for the insertion of the following section after section 7:—

7a. If a member of the police force has observed, or has received a report that any probationer has broken or failed to observe any condition of his recognizance, that member shall forthwith take such action as is proper, having regard to his rank and the rules of the police force, to ensure that the facts so observed

or reported are reported to the probation officer or other person under whose supervision the probationer has been placed.

Two points with regard to this provision have occurred to me. The first is that any such report may be only hearsay. I have been assured by the Parliamentary Draftsman that any report made in accordance with this clause by a policeman in the course of his duty would be a privileged statement and one on which he would not be liable for any damages if it proved incorrect. I am assured that this aspect is already covered by the law and that no particular action need be taken in connection with it. The second point is whether the fact that a case has not been reported in accordance with the provisions of the Bill would have any bearing on the surety given. Where a bondsman has given a surety he should be responsible for that surety, because that is a condition on which the offender has been liberated or freed from other action. In Committee I will move an amendment which I hope Mr. Fletcher will accept to ensure that the position of the surety will be the same as it has always been. The fact that the police have or have not reported an offence under section 7 should not affect the responsibility of a surety. The position would be analogous to that of my guaranteeing somebody's bank account. I would be responsible for the guarantee even if I did not know the full facts about it. With those reservations I support the Bill.

Bill read a second time.

•In Committee.

Clauses 1 and 2 passed.

Clause 3—“Duties of members of the Police Force.”

The Hon. T. PLAYFORD—I move to add the following words at the end of new section 7a:—

The fact that a report has not been made under the preceding provisions of this section shall in no way affect any liability of any person under any recognizance.

Mr. FLETCHER—I accept the amendment because it is an improvement. I did not wish to remove any responsibility from sureties. When the police know a probationer has broken his bond the least they can do is to advise their superior officer and see that the bondsmen are advised of the probationer's action.

Amendment carried; clause as amended passed.

Title passed. Bill read a third time and passed.

HOUSING POLICY.

Adjourned debate on the motion of Mr. Frank Walsh—

That in the opinion of this House, in order to co-ordinate all activities for the provision of urgently needed houses not only in the metropolitan area but also in the country, under one administrative head, a department of housing under the control of a Minister with no other departmental responsibilities should be established and that a building advisory panel consisting of representatives of the Institute of Architects, Master Builders and Building Trades Unions should be appointed to advise the Minister as to the best methods to employ in the mobilization of building resources, the utilization of labour, the control of materials, the expansion of production of essential basic materials, and, if necessary, the importation of materials in short supply.

(Continued from August 29. Page 481.)

The Hon. T. PLAYFORD (Gumeracha—Premier and Treasurer)—I cannot see any difference between this motion and others on the same subject that have been moved during the past three or four years. At one time I called it a hardy annual, but it has become a hardy perennial. Parliament has spent much time debating it from year to year, but evidently the movers have not much confidence in it or in its practicability because as recently as yesterday when we had a Bill before us dealing with building materials not one amendment was suggested to give effect to the intention of this motion. I congratulate the mover of the motion on the time and thought he evidently spent on the Building Materials Act Amendment Bill, but he did not take advantage of his opportunity to incorporate in that Bill the ideas contained in this motion. If he had any confidence in his motion he should have moved that the Minister in charge of that legislation should have no duties other than the administration of the Act. The aims of the motion are vague, unworkable, and undesirable. The mover did not say what was involved in co-ordinating building activities. Does he mean that the Minister would have to ask building operatives whether they had enough bricks, and if they have not borrow a few from someone else, or does he visualize further control? I believe the term as used in the motion means the complete control of the building industry. We have learnt from the operations of the Building Materials Act that the only way to bring about orderly control in the building industry is to formulate a definite and concise code of rules. "Co-ordinate" has a socialistic flavour, and I believe the honourable

member desires to establish a permanent department having complete control over builders and operatives as well as over building materials. The motion would result in the socialization of the building industry for all time. Members on this side do not believe in socialization; we believe that the country will advance if citizens are given the greatest opportunity to exercise their own initiative, without, however, cutting across the rights of others. The State should be the servant of the citizens and not the citizens the servants of the State. That is the difference between my approach to this problem and that of the mover of the motion. He wants to have set up an autocratic committee to advise the Minister, and to have a permanent housing department established. He favours the Minister having the power of direction of labour, because he says in the motion, "A panel should be appointed to advise the Minister as to the best methods to employ in the mobilization of building resources and the utilization of labour . . ." If that means anything at all it means that we are to give this Minister power to direct labour to go to a particular job and forbid it to go to any other. In other words, we are to introduce conscription of labour. That is wrong. People should be allowed the greatest possible freedom in choosing their employment.

Mr. Fred Walsh—The motion does not suggest otherwise.

The Hon. T. PLAYFORD—If it does not mean that, I ask the honourable member to tell me what it does mean. The motion says that the Minister is to have no other departmental responsibilities and that the panel is to advise him as to the utilization of labour. The mover evidently has at the back of his mind some system for the direction of labour.

Mr. Fred Walsh—We do not believe in that.

The Hon. T. PLAYFORD—I should not think any honourable member would. Last year in considering a similar motion I gave examples of what had been achieved under the system developed in South Australia compared with systems established in other States where there is a Minister of Housing. I gave figures of costs, production and the expansion of building material supplies. Today I could give figures even more favourable to South Australia. In those States with a Minister of Housing there is disruption in the building industry. South Australia has gone forward under a system designed to give builders and home makers the greatest possible assistance. Today this State is building more than the average percentage of houses being constructed

in Australia, and they are being built faster and at less cost than the Australian average. Our costs are lower than in every other State except Western Australia, where they have the advantage of magnificent forests and are thus able to construct cheaper timber-frame houses. The cost of producing houses in South Australia compares so favourably with costs in the other States that they are not even in the race with us. If any member doubts that I invite him to make a survey of the position in New South Wales, where there is a full-time Minister of Housing with all the powers of control and co-ordination suggested by the motion. Costs in that State are at least 50 per cent more for an equivalent house than in South Australia. Of the houses started a big percentage have never been finished because of the almost complete disaster in the industry.

Mr. O'Halloran—I do not think that is correct.

The Hon. T. PLAYFORD—Some months ago when I was in New South Wales an official statement was issued that there were 19,000 houses in the metropolitan area of Sydney upon which work had been abandoned.

Mr. O'Halloran—Permanently or temporarily?

The Hon. T. PLAYFORD—Work was not proceeding on them. There is a syndicate of newcomers to Australia in New South Wales who are buying these abandoned half-completed houses at reduced prices and then completing them with the object of bringing out some of their friends.

Mr. Riches—Who are they buying them from?

The Hon. T. PLAYFORD—Australians who have been unable to complete them—people who set out with the laudable desire to build a home for their family, but under the system created over there have been caught up by the increased costs to such an extent that they have been obliged to stop work. That is not rare, but frequent. I have read the motion with as much attention as I gave similar previous motions and I cannot find any new features in it which might cause me to change my previous opinion, and therefore I ask the House to oppose it. If there is anything in the ideas embodied in the motion to justify them they could have been included in the amendment to the Building Materials Act when it came before the House each year. It is proposed that there should be a building advisory panel consisting of architects, master builders, and representatives of trade unions.

I was rather astounded that this panel, which was to solve the housing problem, did not include at least one representative of the general public—the people who are to live in the houses. It appeared to me that those represented by the proposed panel would be more benefited by a high cost of house building than a low cost. That seems to be fundamentally wrong in such a motion. There appears to be no-one proposed on the committee who would have any wish to keep the cost of housing low. If this idea of an advisory panel is such a brilliant one, why was not an amendment moved to the Building Materials Act Amendment Bill to provide for its establishment?

Mr. Macgillivray—The matter was on the Notice Paper before the Bill was introduced.

The Hon. T. PLAYFORD—Then all that was necessary was for someone to move an amendment to the Bill, including some of the words used in the motion. It is not desirable to use a temporary emergency to set up a permanent over-riding committee with a Minister controlling every phase of housing.

Mr. O'Halloran—Is the Housing Trust to be disbanded shortly?

The Hon. T. PLAYFORD—No. The trust has none of these powers relating to the utilization of labour or control over materials and building resources. The only power the Housing Trust has is to let contracts for the building of houses.

Mr. Frank Walsh—How long is it since the trust has been able to make advances for the purchase of homes?

The Hon. T. PLAYFORD—It can make advances to enable houses to be purchased. It has no power to control labour or materials. Many members say that it has too much authority, but I do not agree. The over-riding powers suggested in the motion go much farther than the powers in the Building Materials Act. The motion seeks a permanent control in connection with housing and the appointment of a full-time Minister to deal with the matter. It is vague, unworkable, and undesirable, and I oppose it.

Mr. MACGILLIVRAY (Chaffey)—I shall move to amend the motion. Every member should speak on this important subject of housing. From the Premier downwards, all members will agree that the building of houses in this State is not progressing as rapidly as we hoped it would. We are doing wonderful things in the building of houses, but the demand for them is increasing faster than we

are able to build them. That is due to the number of New Australians who must be housed in decent conditions instead of having to live in internment camps, and to the natural increase in our population. We must adopt a more vigorous policy in the building of houses, and in that regard it might not be amiss to allow private enterprise to assist. Today there are so many building restrictions that it is practically impossible for any person to invest money in a house, and Parliament is directly responsible for it. I do not agree with the methods proposed by Mr. Frank Walsh to improve our housing position, and I do not support the move for a separate Minister of Housing. The Labor Party, myself, and probably some Government members, know that there is only one Minister in the South Australian Government who matters, and that is the Premier. I think every member realizes this, but has not felt the need to say it. Only one of our Ministers dictates policy in connection with housing, land settlement, mining, social questions, and other matters. If we had three or four extra Ministers in our Cabinet the housing position would not be altered one iota, because we must always come back to the fact that the Premier dictates the housing policy. Housing is the major problem of the Commonwealth. Certain things are fundamental to human life in a civilized community, and in short they are food, shelter and clothing. Broadly speaking, the primary producer supplies the food and the crude materials for the clothing, but we are not supplying all the housing that is needed. I move to amend the motion by deleting the words "under one administrative head, a department of housing under the control of a Minister with no other departmental responsibilities should be established and that." If the amendment is accepted, the motion will read as follows:—

That in the opinion of this House, in order to co-ordinate all activities for the provision of urgently needed homes not only in the metropolitan area but also in the country, a building advisory panel consisting of representatives of the Institute of Architects, Master Builders and Building Trades Unions should be appointed to advise the Minister as to the best methods to employ in the mobilization of building resources, the utilization of labour, the control of materials, the expansion of production of essential basic materials, and if necessary, the importation of materials in short supply.

This means that we would get men who have spent all their lives in the housing of our people to act as members of an advisory committee. The appointment of a new Minister of the Crown would involve additional expenditure and

a fresh allocation of portfolios. I do not want that because I do not think it would be of value. I do not think the Premier with all the knowledge he has gained through the years about the difficulty in getting labour and materials, and the allocation of houses, would ignore advice given freely by a body with no responsibility except to advise. I ask members to seriously consider my proposal.

Mr. HUTCHENS (Hindmarsh)—I support the motion as drafted. It was introduced on August 22, about six weeks ago, and it has not received the important consideration that is necessary. Today the Premier spoke on it, and I was not surprised to hear him say that it is not original. We do not say that it is, but that does not mean that it is not necessary. The Premier referred to the use of the word "co-ordinate," and if it means control then co-ordination is necessary to overcome our housing difficulties. Mr. Frank Walsh made it clear that the motion was moved because the Opposition wants more houses built. The Premier, with his many portfolios, has a thousand responsibilities connected with affairs of State. One responsibility is to deal with housing, but we feel that housing should be handled by a Minister with no other responsibilities. This Minister, we submit, should be aided by persons representing all sections of the community employed in the building industry. For the reasons stated plainly by the mover, we believe that we should secure the utmost degree of co-operation possible in an honest endeavour to overcome the greatest need of the day. It is with some confidence that I submit that the House on this day is in the right mood to adopt advocacy of co-operation, for this afternoon we have heard members opposite arguing against a proposal from this side because they believed it would limit co-operation. We believe that only good can come from the co-operation of those who desire it in an endeavour to establish a state of affairs that makes the people of any nation believe that the conditions under which they live are good. Only those who would criticize efforts to improve the conditions of our people would sabotage the attempt to bring about that desirable spirit of co-operation. We have seen that there is room for improvement, but it seems that certain politicians believe that our efforts should be ridiculed and our statements belittled.

Mr. O'Halloran—Without the production of any evidence?

Mr. HUTCHENS—Exactly. There has been strong evidence of an attempt to write down our endeavours to create a state of co-operation with a view to improving the housing position which is now driving thousands of excellent folk into a state of desperation. If ever there was an example of "Power without glory" we have it in those who control housing in South Australia.

Mr. Dunks—There is a fair bit of glory attaching to it.

Mr. HUTCHENS—There may be, but those responsible for providing houses must accept the charge of "without glory" while thousands remain homeless. To compare the situation in South Australia with that in other States, as some have done, is no reason for opposing the motion. Our housing position must improve or we will be creating further difficulties for the people who are suffering extreme hardships. As I have submitted previously, in the immediate past years our housing position has become worse. On a previous occasion I stated that last year the number of applications before the Housing Trust was 22,000 whilst this year it is in excess of 27,000. I am reminded of all the letters received by members, particularly those on this side, from the Housing Trust, which make it very clear that the position is worsening daily. Only today I received a letter in which it was stated that the applicant first applied in 1943 and the trust could not say even now when he would get a house. For the four years ended June 30, 1951, we built 19,208 houses, but in that time there have been 33,000 marriages, which shows that the position has become worse to the extent of 14,000 homes. The Hon. T. Playford—Were there no deaths?

Mr. HUTCHENS—Yes, but nothing like the number of marriages.

Mr. O'Halloran—There was also immigration.

Mr. HUTCHENS—And some demolition of houses.

Mr. Quirke—You would need to double the number of deaths to equate the figures.

Mr. HUTCHENS—That is so, but to be fair let us look at the Quarterly Summary of Statistics, and we find that the estimated increase of the population of our State for the last four years is about £92,000, with an average of three persons a home. I was interested to read an article published by a religious organization which showed conclusively that in the highly civilized countries of Europe the average number of persons per home is just in

excess of two, but even with an average of three the lag is increased by 11,000 homes. The consequences of the housing situation is what we are so concerned about. We are interested in the well-being of our people, in the progress of our nation morally, spiritually and physically, but the bad housing situation is having a very demoralizing effect upon the people. Sooner or later it will have a greater and more tragic effect if it is not improved, and if for no other reason, the motion before the House could do no harm, but much good. To prove that my statement is not an exaggeration the Statesman's Pocket Year Book shows that petitions for divorce in 1930 numbered 153. Ten years later the number was 311, and it steadily increased to 784 for 1948 and 781 last year. I submit that the reason for this larger number is the inability of young couples to live together and to make their own lives without interference. Another outstanding fact which should influence us is that many of our politicians say we are in danger of invasion from adjacent countries where the birth rate is high. The best migrant to this country is the child of Australian parents, and I am alarmed to read of our declining birth rate. The Year Book reveals that for the year ended June, 1949, the birth rate per thousand was four fewer than in 1914, and I remind the House that 1914 was the year in which we became involved in a Great War and when we suffered one of the greatest economic depressions and worst droughts in our history, yet because of the poor housing situation alone we have had an enormous decrease in the birth rate when at the same time, the reproductive age group of 18 to 45 has been steadily increasing.

Mr. Pattinson—What precise effect did the drought have on the birth rate?

Mr. HUTCHENS—Poor prospects must always have some effect upon the thoughtful person who does not feel inclined to rear a family unless he can see some security ahead.

Mr. Whittle—But the war did not start until August of that year, so I do not see how your reasoning applies.

Mr. HUTCHENS—Despite all that members say, I contend that home life and its effect upon the nation is very important and that any decent man should support any endeavour to create a better home environment. The Premier when replying this afternoon, said that we were building homes more cheaply than any other State, but no-one can say that the standard compares favourably with homes in

other States. Although previous speakers referred to favourable comment, I noticed that no-one uttered a word about some of the criticism that has been levelled against our standards, but I remember an article in the *News* in July by a Mr. Swinburne of Victoria, who said that the houses built in South Australia were not up to the standard of those in Victoria. I challenge members opposite to prove that the standard of housing in this State has not deteriorated considerably in recent years, to produce figures showing that there at least three European cities or one city in any other English-speaking country which have a greater percentage of substandard homes than were to be found in the city of Adelaide on June 30 last. If they cannot do so, there is merit in this motion. Members on this side work towards a higher social order, peace, progress, and comfort of the people. To ensure that the people have confidence in their Government we must ensure that they are contented in mind. Each citizen should be able to point with pride to a dwelling and say, "That's my home." Sand, cement, and steel rods are needed for the foundations of a home. The foundations of a full national life require adequate mental and spiritual development and the maintenance of home life.

A Minister of Housing having no other departmental responsibilities should be appointed. He should be advised by a panel of qualified persons with a knowledge of building, especially of home building. It is not merely a matter of directing building materials into the most useful channels, although there is room for improvement in that regard. Recently four first priority permit holders have approached me regarding supplies of roofing iron, yet certain companies are using huge quantities of materials in what appear to be unnecessary works. For instance, General Motors-Holden's at Woodville recently laid down a number of bituminous roads throughout the factory area. Those roads are now being taken up and tons of imported cement used to make new ones. Alterations have been made to the front of John Martin's shop, necessitating the use of much building material. These are typical instances of unnecessary work, and it is a shame that it is being carried out at a time when people are crying out for materials with which to build homes. Much confusion exists because of the irregularity with which supplies become available to contractors. Many small builders are almost insolvent because they have started jobs and

received supplies of certain internal fittings long before obtaining the roofing material and have incurred much expense in transferring men from one job to another.

Cabinet Ministers in this State are overburdened with work. The *News*, of August 29, contained an article headed "Is Mr. Playford overworked"? A member speaking in another place gave reasons why he thought the Premier was overworked. After this motion had been moved on August 22, Ministers were far too busy to debate it the following week and it was left to a back-bencher, the member for Onkaparinga, to reply on behalf of the Government. He implied that the Opposition should be the subject of ridicule for having the audacity to suggest that an improvement might be made in our housing set-up by the appointment of a responsible Minister who could co-operate with building experts, and said in effect that the Premier could adequately deal with the problem. I ask leave to continue my remarks.

Leave granted and debate adjourned.

Sitting suspended from 5.57 to 7.30 p.m.

PRICES ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from October 2. Page 757.)

Mr. QUIRKE (Stanley)—This is another of those measures which we shall probably continue to have for many years. There are many anomalies associated with prices administration. The small storekeeper is probably one of the most harassed persons in business. A prices order was issued on September 6, but operated retrospectively to July 18. The unfortunate storekeeper is required to sell the articles enumerated at a figure based upon the invoice price prior to July 18, even if he replenished his stock after that date. I cannot see any justice in that. Storekeepers are in business to earn their livelihood, and although few of them seem to be going bankrupt they should be permitted to obtain their ordinary margin of profit. They handle large quantities of goods, such as sugar, salt and matches, upon which they make little or no profit. The prices order included crockery and glassware, and many tradesmen have recently bought considerable quantities to satisfy the Christmas demand, but they will be forced to sell them at the invoice price operating before July 18. Their wages bill has increased considerably. Since July, 1950, the wages of a grocer's assistant have increased from £7 15s. 4d. a week

to £10 9s. 3d. Storekeepers should be allowed to recoup their additional wages costs.

In fixing prices insufficient consideration is given to the great cost of replenishing stocks. Let us assume the cost to the storekeeper of a ton of galvanized iron was £100. Perhaps he made a profit of 20 per cent on it, but the next ton of iron might cost £125. It may seem that as the cost of iron goes up the profit increases, but there is not a great margin of profit in handling a tremendous turnover, considering the amount of work involved. Each successive purchase eats up the profit of the previous sale and the amount of capital required today is colossal. Before the last price rise the invoice price of a bag of cement was 3s. 10½d. There was a surcharge of £3 10s. a ton, but the storekeeper was allowed a profit of only 7½ per cent trade discount on the 3s. 10½d. a bag. No profit was allowed on the £3 10s. a ton surcharge. That small margin of profit could not possibly meet his overhead expenses. Storekeepers carry this line because it attracts customers, but this is not a sound reason for forcing them to sell it at a loss. They should not be forced, in the interests of keeping prices down, to trade at a loss and be the only section not receiving greater remuneration. The basic wage earner, people working under awards, and the wheat and wool-grower are all getting greater returns for their efforts. Storekeepers are now receiving a smaller margin on butter than they were before the recent price rise. They were getting a profit of 7.77 per cent, but it has been reduced to 7.52 per cent, yet they have to lay out more capital. Under price control sacrifices should be borne equitably by all sections of the community.

Mr. FRED WALSH (Thebarton)—I support the Bill because there is nothing better offering. I agree with the action of Prices Ministers in recontrolling the prices of certain commodities, but they should have gone further. House sales should have been included as well as certain luxury items, such as wine. The Labor Party favoured the continuance of price control by the Commonwealth Government because the States cannot make a success of price fixing. Many houses have been sold at prices much above their value because people are prepared to pay fantastic prices, as they must find shelter for their families. About 15 months ago two attached cottages were sold by an aged couple for £900. That would seem a reasonable price, but about six months ago one of the cottages was sold for £1,500 to a Scotch

migrant. If he had not secured a home he and his family would have had to leave the country. The point is the seller made a profit of £600, and had the other cottage to boot. There are many instances of exorbitant prices being asked for and paid for houses, and unless they are again brought under control this sort of exploitation will continue.

The Hon. S. W. Jeffries—You could quote similar instances in regard to car sales.

Mr. FRED WALSH—That is true. Prices have been paid for secondhand cars considerably in excess of new car prices.

Mr. Quirke—They are not strictly comparable with houses.

Mr. FRED WALSH—No; a man can do without a motor car but he is often compelled, by force of circumstances, to purchase a home. Mr. Teusner said that the pegging of wages would retard the increase in prices but wages were only partly pegged. If employees could prove to the court that they were entitled to an increase in their marginal rates and that it would not be against the national interest the court would grant an increase. Employers and employees sometimes reach agreements for wage increases and go to the court for a determination whether the increase will affect the national interest. In many instances wages have been increased but there have been instances where the applications have been rejected. When the Commonwealth Government, by the decision of the High Court and later by referendum, lost control of prices it was impossible to continue subsidies to the same degree. The Director of the International Labour Organization, speaking of wage pegging, said:—

In peace-time the freezing of wages and prices would result in freezing the economy into a rut when it should be flexible. The problem today is for Government, workers and employers of the various countries to agree on wage and price goals and machinery for avoiding inflation without, however, freezing economic progress.

Few people have had greater experience on labour questions than he, and most will subscribe to his view. Mr. Shannon said he would like to get back to the old days of the law of supply and demand. That law cannot operate when those who produce and manufacture control the market by withdrawing their products. Early in the year when growers sought an increase in the price of potatoes the Prices Commissioner refused it and producers would not market potatoes. There was a considerable shortage and quantities were left to rot in the ground.

Mr. Shannon—I do not agree with that.

Mr. FRED WALSH—I believe potatoes were let rot in the ground because growers would not bring them to market, and that a number of people went to the hills growers and were able to purchase potatoes on the understanding they dug them themselves.

Mr. Brookman—That was only because growers could not get mechanical diggers.

Mr. FRED WALSH—And because of the prices. Last year South-Eastern potatoes were sold to Victorian purchasers because they paid a higher price. The Prices Commissioner took action against certain growers but potatoes were then sent to Victoria and sold for £6 to £8 a ton more than the South Australian price. Butter, too, was kept from the local market until a higher price was obtained. We all remember the controversy which took place at Prices Ministers' conferences. After our Premier was told that there was no hope of the Commonwealth Government increasing the subsidy he advocated an increase, and the three anti-Labor Prices Ministers were able to inveigle the Tasmanian Minister into agreeing to the increase they had decided on. The Queensland and New South Wales Prices Ministers would not concede the increase.

Mr. Shannon—I do not think they are happy about it.

Mr. FRED WALSH—At least they are prepared to see that their local markets are satisfied before they export butter to other States. I am not prepared to argue what a fair and correct price would be.

Mr. Shannon—Do you know what the Commonwealth survey disclosed?

Mr. FRED WALSH—I have heard the Premier express admiration of the work of Mr. Finnan, the chairman of the conferences, who is in a position to know whether it is a fair and just price. It may be argued that the States were trying to force the Commonwealth to increase the subsidy. The New South Wales and Queensland Governments are concerned with increases in the cost of living, and increases in the price of butter will be reflected in adjustments to the cost of living. I should say the average family would use 2 lb. of butter a week, and that, on the increase in the four States, would add at least 2s. a week to the cost of living. Increases in the prices of other commodities also must be considered. The New South Wales and Queensland Governments must have saved a large amount by not increasing the butter price to the same extent as the other States. It has been suggested that

butter making will be discontinued, and that the dairy farmer is on the verge of walking off his holding. I have not heard of any. I have heard of dairies being sold at exorbitant prices out of all proportion to their value.

Mr. Quirke—Herds, not farms, are being sold.

Mr. FRED WALSH—Dairy herds are being sold for slaughter at higher prices than ever. Many people were greatly concerned with what the repercussions to our economy would be because of the soaring prices for wool last year and early this year. A few weeks ago when there was an indication of a fall in the price of wool the position was reversed. In an attempt to maintain the high price certain producers withdrew their wool from the market. Mr. Teusner stated that wage increases caused price increases. Because an increase in the cost of living automatically increases the basic wage, that is considered a reasonable ground for sellers to approach the Prices Commissioner and seek an increase in the price of the commodity they handle. If any Government was courageous enough to stabilize prices ruling at the expiration of the immediate previous quarter that would have a considerable effect upon the prices of commodities and would safeguard the position. It is wrong to say that prices follow increases in the basic wage. It is the reverse, because the basic wage is adjusted on the cost of living of the preceding three months. In the industry with which I am associated, apart from basic wage increases there have been considerable increases in marginal rates in two sections of the industry, but until recently there had been no increase in the price of the commodity. The increase granted a few months ago was the first, apart from excise increases, over a period of 26 years, the industry having borne the increased costs of production over that period. The same principle could be applied in most industries.

Mr. Shannon—That industry enjoyed tremendous profits over a long period.

Mr. FRED WALSH—If the honourable member knew anything about the position he would know that that applied to only one company, which more or less has a monopoly.

The Hon. T. Playford—What industry is it?

Mr. FRED WALSH—The breweries. Two companies have had considerable difficulty in meeting increased costs because of that. One brewery received a greater increase in price than the others. It is not altogether the increases in wages that bring about increases in prices. Mr. Hawker made a

strong point about prices control being a form of profit control. If he accepts price control, what must he think of the taxes to be imposed as a result of the recent Commonwealth Budget? In his comparison of price control as profit control he referred to country storekeepers. Fancy introducing country storekeepers in a comparison of profit control! I should not think their profits would be worth considering, as their return would not be much more than a living for the average person. I will say that Mr. Hawker has always been consistent in his opposition to any form of control. He argued that the efficiency of a business should be considered in arriving at a reasonable profit. I submit that an industry run efficiently is in a position to make greater profits than one which is not. A firm which gives better wages and conditions for its employees than another establishment in the same line of business is not in such a good position to meet its obligations as the other business, which would be making greater profits. I have previously said that wine is one of the commodities which should be under control, because beer and spirits are already under price control. The development of this industry has been more or less fostered by the Government. Big private companies have been associated with the wine industry, some for more than 100 years. The industry would never have been developed to the same extent but for some form of Government assistance. Until the close of World War II. the employees in this industry received the worst wages and conditions of any employees in the liquor industry, and it was only as the result of a dispute that employers were forced to raise wages and provide better conditions, as they had to compete with others for labour. Then we find them taking advantage of a new set-up and trying to get cheaper labour by employing females. This practice has been precluded before in South Australia by virtue of an award. As the result of an arrangement between the union and the wine-makers during the war, owing to a shortage of labour, females were employed on the condition that they were paid the same wages and provided with the same conditions as the males. At the expiration of that agreement one firm continued to employ them contrary to the award, and no action was taken by any Government authority to stop the practice until forced to do so. The employers' association took the question to court and despite a previous judgment by the then President of the State Indus-

trial Court the application to employ females at a lower rate than that paid males was granted. The wages board issued a determination embodying the same conditions and rates for females as for males. An appeal to the court against that decision was upheld, the court granting them the same rates as applied in the country. Today the industry is on the verge of chaos. As an organization the union opposed the practice on principle and on moral grounds, but today the issue is one of equal pay, and it is only on that basis that the union would be prepared to accept females in the industry. Those firms which are prepared to employ females at lower rates than those paid to males are competing unfairly against others.

Mr. Teusner—Is labour available?

Mr. FRED WALSH—Of course it is. Thousands of Commonwealth public servants have been dismissed and some of these would be available. I am trying to show that some firms are prepared to obtain cheap labour in order to compete unfairly with those prepared to do the right thing. As regards controls, there should be no opportunity for one group of manufacturers to take advantage of another by employing cheaper labour, thus producing goods more cheaply than a competitor. The consumers should gain the benefit of cheaper production, and they can obtain it only if costs are fixed. Many members say that high wages and the 40-hour week are the causes of all our troubles; but they forget other factors. The 40-hour week plays only a small part in the increases in costs of production. In many industries there is so much overtime that the 40-hour week is ruled out altogether. The Government Statist has produced figures to show that costs of production have been two or three times greater since the 40-hour week first operated than in 1939. It is frequently said that coal miners are not working to their fullest capacity, but only yesterday the Prime Minister said that coal production last month was a record. This has occurred despite the fact that not so many men are working underground as prior to the war. Of course, the mines have been considerably mechanized.

Mr. Teusner—And open cut mines have been developed.

Mr. FRED WALSH—Yes. The *Mail* of August 11 last contained some interesting information. It showed that 15,376 houses were completed in 1945-46, 32,607 in 1946-47, 43,503 in 1947-48, 51,339 in 1948-49, and

55,485 in 1949-50, two years after the introduction of the 40-hour week. Brick production rose from 497,000,000 in 1946-47 to 586,000,000 in 1949-50. Cement production rose from 882,000 tons to 1,159,000 tons, and timber from 1,048,000 sup. ft. to 1,220,000 sup. ft. The production of woven woollen cloth increased from 38.2 million sq. yds. in 1946-47 to an average of 40,000,000 sq. yds. in each of the next three years. Dr. S. S. Stephens, of the Department of Chemical Research at the Melbourne University, using a sample of 71 manufacturing concerns employing 11,000 people, calculated that manpower productivity rose 9 per cent after the introduction of the 40-hour week. He said that the increased output was mainly due to increased mechanism, organization and efficiency. Of course, this was forced on employers as a result of the reduced working week, but nevertheless there was increased productivity. Despite that statement, members opposite say that production has been reduced. Many matters could be mentioned in this debate. There is the question of women in industry. The present Regional Director of Employment, Mr. Dwyer, recently spoke about the influx of married women into industry. We should frown on it, but some members commend women who go into industry. Apart from the fact that they get in the main less wages than men, what will be their position if a depression occurs? The latest Commonwealth Budget must be regarded as a pre-depression Budget. The Commonwealth Government is dismissing public servants and other people have indicated that they will not replace men who retire or leave their service. The whole thing will snowball and then we shall have a depression. We shall find that married women will be retained in industry in order to reduce costs of production. I hope members opposite will not continue to approve of married women working in industry unless they are the main breadwinner in the family because nothing breaks down the family life more than having the husband and wife separated, as they must be if both work in industry. All these things should be considered when price control is reviewed. Mr. Hawker referred to certain legislation passed in America, and particularly referred to wage freezing, but that does not apply in America. The matter has been before Congress, but it and other Bills of a like nature have been referred to various committees for consideration. The information I have on this matter is dated July of this year, so it is fairly

up-to-date. Members on this side support the Bill because they subscribe to price control, but we would like to see further control considered.

Mr. MACGILLIVRAY (Chaffey)—This Bill has been referred to by previous speakers as a hardy annual, but that is the wrong botanical name for it. It should be called an everlasting, because it will come up for consideration again and again. There has been much discussion as to whether the States should have the power to control prices, or whether it should be taken over again by the Commonwealth. Mr. Dunks has said in this place that the Commonwealth Government would make a better job of price control than the States. I do not want to elaborate on that thought too much, but I shall quote an extract from some remarks I made in this House in 1948 when price control was discussed. Those remarks show conclusively that neither the Commonwealth Government nor the States can control prices sufficiently to stop the inflationary spiral which has existed not only since the States took over price control, but during some of the time the Commonwealth controlled it. The following is the extract, and it refers to some figures taken from the *Australian Monthly*:—

The writer states that in 1939 tea was 2s. 2½d. a pound, whereas today it is 2s. 9d., a 24 per cent increase. The respective figures for jam are 7½d. and 1s. 6d., 140 per cent increase; coffee 2s. and 3s. 9d., 87 per cent; butter 1s. 7d. and 1s 11½d., 23 per cent; matches 5½d. and 1s. 5½d., 217 per cent; and tomato sauce 6½d. and 1s. 2½d. 123 per cent. The writer points out that those goods have not been chosen as having anything to do with family needs. He merely took certain items at random to show that the increases took place during the time that Commonwealth price control was effective. If the Commonwealth Government, with all the resources at its command, cannot control prices, what hope has the State of doing so?

Mr. Fred Walsh mentioned the price of butter, but he did not say that the present price is 3s. 1½d. a lb. The inflationary trend since 1948 makes the trend at that time seem moderate. Now, that is the point. If the Commonwealth Government, with its control of financial policy and taxation, could not stop the spiral what hope have the State of doing so? Thus it will be seen that what I advanced then has proved to be absolutely correct.

Mr. Davis—The Commonwealth Government could have controlled it.

Mr. MACGILLIVRAY—It could not.

Mr. Davis—Not now that the States have made a mess of it.

Mr. MACGILLIVRAY—The cause of the spiral was the deliberate action of the Commonwealth Government. The spiral was checked during the war years because it was then the financial policy of the Commonwealth to subsidize the cost of living—tea, butter, potatoes and the common everyday vegetables—a policy which, incidentally, is still carried on by the British Government, which has spent hundreds of millions of pounds in subsidies to keep the inflationary spiral down. This policy has proved very effective in two ways; firstly, in keeping down prices and, secondly, by adding to production, for I have previously given figures to show how the production of milk in Great Britain has increased by leaps and bounds under the subsidy policy of the British Government, whereas milk has become a luxury throughout the whole of Australia, and even the common potato and onion have disappeared from the tables of all but the most affluent sections of the community. Notwithstanding this we still find Governments talking of controlling prices. After goods have been produced it is too late to talk of controlling prices because the costs have been incurred and have been debited and the consumer must pay. Either the consumer pays the entire cost, which has a definite effect upon wages which have to be increased to meet the cost of foodstuffs, or it can be done, as I have many times suggested, by the Commonwealth Government adopting a policy of subsidizing items in the ‘C’ series index so as to keep costs down and eventually reduce wages, thereby putting shillings back into the pound, which so many people talk about, but having talked do nothing. I challenge anyone to show that my statement in 1948 was wrong.

I rather regret that the member for Thebarton saw fit to bring into the discussion an industrial dispute concerning an important industry in my district which is still *sub judice*.

Mr. O’Halloran—It ended today.

Mr. MACGILLIVRAY—I did not know that. I take this opportunity to deal with a one-sided argument advanced by Mr. Walsh, who evidently put only the point of view of the union. If the first place, the women who have been publicly attacked are members of the union itself, so we have an internecine form of warfare where men are not prepared to work with women and go so far as to suggest that it is not morally correct. I do not know exactly what is meant by that, for as far as I know the work is honest, clean and light

and there is no reason why any woman should not be employed in it. The only objection one can imagine is that women are more efficient than men in this particular type of work.

Mr. Lawn—All the more reason why they should get equal pay.

Mr. MACGILLIVRAY—That brings a new point into the argument, because that is not peculiar to this dispute or this industry.

Mr. Fred Walsh—It is an issue.

Mr. MACGILLIVRAY—It is not. The union publicized the statement that it was morally incorrect for women to be employed in this work, and I suggest that it is a very loose and dangerous statement to make of fellow unionists. The fact is that this work is peculiarly suitable for women. They do not handle the wine, but simply fill the bottles which are then corked, labelled and wrapped, and it is no more immoral than wrapping eggs.

The SPEAKER—I have allowed the honourable member some latitude, but I think he is wandering rather far away from the Bill.

Mr. MACGILLIVRAY—I want to deal with only one other point. I would point out that other industries, whether by permission of the unions or not, have employed women; they are in the service of both the Sydney and Melbourne tramways.

The SPEAKER—They are not under price control.

Mr. MACGILLIVRAY—Mr. Walsh said that the only desire and motive in the employment of women was to get cheap labour. That is a shocking statement. The wine industry is probably the most generous in the Commonwealth and anyone who has met the wine people knows that to be a fact.

Mr. Fred Walsh—The honourable member cannot tell me much about them for I have dealt with them in connection with wages and conditions for 30 years.

Mr. MACGILLIVRAY—The honourable member may be prejudiced.

Mr. Fred Walsh—That is why they had employees working for less than the basic wage, and I am talking of of the honourable member’s district too.

Mr. MACGILLIVRAY—That is a reflection on the intelligence of my constituents which I am not prepared to accept, for I have never known any of them work for less than the basic wage. We have been employing women because, like other industries, we have been forced to do it, and it is futile for the honourable member to talk about breaking up

families and so forth. Though there may be some substance in that, what of the economic conditions which make women go into industry? Is it not a fact that many of them are glad to earn the few extra pounds they can bring into the home? Do they go out to work for the sake of breaking up the home?

Mr. Fred Walsh—Because of the low wages of their husbands.

Mr. MACGILLIVRAY—Wages throughout Australia have never been higher.

Mr. Fred Walsh—But they are not of the same value.

Mr. MACGILLIVRAY—The unions are parties to the inflationary spiral because all they do is to run to the courts for higher and higher wages—

Mr. Fred Walsh—We are compelled to do so in order to have a decent standard of living.

Mr. MACGILLIVRAY—The inflationary spiral is a dog chasing its own tail. The unions go to the courts asking for higher wages and then complain of the higher cost of living, forgetful of the fact that each time they get higher wages they are automatically increasing the cost of living. Although I am not prepared to go as far as Mr. Teusner, who said that between 80 per cent and 90 per cent of the cost of goods is represented in labour, I am prepared to agree that the labour cost is a major factor in the price structure. I advise the Labor Party to adopt the policy which I have advocated time and time again and approach the Commonwealth Court and ask that items in the "C" series index be subsidized so that the cost of living might be reduced. The last Federal Government cut out many subsidies and its action resulted in the spiralling of prices, of which members now complain.

Mr. LAWN (Adelaide)—I support the Bill because I realize the necessity of price control. The members for Mitcham and Burra, as well as others, have complained of some delay by the Prices Commissioner in granting increases.

The SPEAKER—The member for Mitcham has not spoken in this debate.

Mr. LAWN—No, but I have heard him speak on other occasions on price control. He has asked the Premier questions as to the time the Prices Commissioner would take to increase certain prices, and I have heard him speak about a delay of a couple of months. Wages are controlled and it takes not a couple of months but sometimes several years before increases can be obtained. Last year's increase

in the basic wage took two years to get. My trade union served a log of claims on certain employers in March, 1948, for we were still working under an award made for three years in 1935. In December, 1948, we commenced compulsory conferences with employers as prescribed by the Commonwealth Conciliation and Arbitration Act. The court hearing was commenced before Mr. Conciliation Commissioner Galvin on November 15, 1950, and the case is still going on. The hearing will probably not be finished until some time next year. The member for Angus said that increased wages were the main cause of increased prices, but I say that is untrue. In October, 1950, it was announced in the press that the Federal basic wage would be increased by £1. That decision was subsequently altered and an increase of 21s. in this State operated from December. I went to Melbourne in mid-November, and on returning to Adelaide a few days later was told by a girl who served me with a meal in a restaurant that its price had increased because of the basic wage rise. I asked her whether her wage had risen and she replied that it had not. I knew that it would not be increased until December; but in anticipation of a rise in the basic wage the price of the meal had been increased, and, as always, wages followed prices.

The member for Chaffey suggested that trade unions should approach the court and ask for price fixation instead of higher wages. The court fixes the basic wage according to the prices of certain necessities. Price control should operate in the same way as wage control. The court should be able to adjust prices and, if necessary, automatically adjust wages at the same time. Members behind the Government believe in the arbitration system when it suits them. Recently they have shown their inconsistency by opposing a Bill to provide for the extension of the arbitration system to rural industry. Some members, including the members of Burra and Stanley, criticized the working of prices administration; but they did not criticize the principle of price control. Some members behind the Government and many members of the public, particularly employers, believe in arbitration. I believe in it, but that does not necessarily mean that I believe that the present system is the acme of perfection. Indeed, it is far from it. I also believe in the principle of price control, although I have no doubt that its working could be greatly improved, for instance, if it were taken over by the Federal Government instead of being administered by six different

States. After hearing the excellent speech of the member for Thebarton no member should vote against the Bill. I wish to refer to the general principle which I believe is involved in the current industrial dispute—the employment of females. One industry about which I know a little employs 4,500 men and between 100 and 200 women. One of its executives has told me frequently that the girls do a better job than the men, as they are more adaptable to the work; but the employers give sworn evidence in the arbitration court that the female labour is not as efficient as the male. On the strength of the employment of the 4,500 males they successfully applied to the Prices Commissioner to fix a higher price, and the number of females, who are being paid 75 per cent of the male rate, was not considered in this respect. Where a female is doing work equal to that of a male there is no reason why she should not be paid the male rate, whether that work be labelling bottles or operating a sewing machine. In such cases she can work as fast and as efficiently as a man. I support the Bill.

Mr. DUNKS (Mitcham)—It would be useless for me to express my feelings fully on this legislation, because I would get no support. I feel the time has arrived when we should do something more definite than renew the operation of this Act and throw price fixing entirely overboard. To some extent I was responsible for the lifting of controls on the sale of land and property, and I have never regretted that action.

Mr. Riches—Many other people have.

Mr. DUNKS—There will always be some people who expect something a little different. I commend the action of the Government on that occasion. The member for Adelaide said that he believed in arbitration. I do not think he needs to remind members that arbitration has been established for a long time and that it has done valuable work for the Australian workers. I do not object to arbitration generally; but I wish to refer to the difficulties caused by the making of awards and, in particular, in South Australia, the determinations of wages boards which do not fully consider the conditions obtaining in a particular industry.

The SPEAKER—There has been some discussion on the widening of the debate. The honourable member should relate his remarks to price control.

Mr. DUNKS—I shall refer to the difficulty of producing at a fixed price under price control. Prices are fixed by one body, but another fixes the wages payable and overtime and shift

penalties. The prices fixed should be commensurate with the cost of production. If we lifted controls on thousands of lines, if not all, we would have greater production. The introduction of the 40-hour week was responsible for most of the shortages today. Members are probably tired of hearing me say that, but while we have the 40-hour week shortages will continue, and the more we shall realize the great mistake made by the Arbitration Court. I believe the 40-hour week is the main reason for the necessity to continue this legislation for another 12 months. Price fixing commenced during the war. I think it was introduced by a Liberal Government, but a Labor Government carried it on after the war under the Transitional Powers Act. I think that if there had been power to extend that legislation for another 12 months the Liberal Party in Opposition would have agreed to continue Federal price control for another 12 months.

Mr. Teusner—I think a second Bill was passed.

Mr. DUNKS—I understood the transitional powers legislation had three months to run when the reference was made to the High Court.

Mr. Teusner—That was in regard to the second Act.

Mr. DUNKS—I accept the honourable member's statement, but as soon as the High Court said the legislation was *ultra vires* of the Constitution the Federal Labor Government threw price control overboard.

Mr. Davis—The people would not give the Federal Government power to continue to control prices. You advised the people that way.

Mr. DUNKS—The Federal Government could have continued control until the Act expired. Instead, it said, "The States can handle this" and foolishly the States took the responsibility. The last speaker said the Federal Government should handle price control and I agree that if it had the power it should handle this matter because there is no unanimity amongst the States. The cost of running the prices branches in each State and of transporting Prices Ministers from one end of the country to the other must be enormous. Moreover, it is not fair that our Premier should be further burdened with the work of Prices Minister of this State. I wish the States were prepared to hand over price control to the Commonwealth under an agreement. Many more items were brought under control at the last conference, but various States were exempted from some items. If price control worked uniformly under Federal control, why should it not work uniformly now?

Greater production would result. People are prepared to work harder for a reward. If workers are given good wages and conditions, particularly if given a bonus at the end of the year, they will produce more.

Mr. Christian—They are instructed by their leaders not to accept bonuses.

Mr. DUNKS—I know, but if they do not receive incentive payments they do not work hard, and goods are in short supply. A certain section tries to keep goods scarce. The agitation for, and eventual passing of, legislation in New South Wales for a 40-hour week was for the purpose of keeping goods scarce and influenced the Arbitration Court to follow suit. Later the South Australian Industrial Court fixed a standard working week of 40-hours because it felt it would result in less disruption in industry than the continuance of a 44-hour week.

Mr. Stott—Queensland's action in fixing a lower price for butter than in the other States will result in a butter shortage there.

Mr. DUNKS—Of course, and price fixation and rationing are keeping goods short everywhere. In the course of the judgment on the standard hours inquiry their honours said:—

In addition, higher prices will reduce demand and in turn eliminate some shortages that exist on the present price level. If there were no price control, then shortages would largely disappear because unhampered economic forces would adjust prices to the supply and what is now a shortage disparity would then be equilibrium, namely, some sort of a balance between supply and demand. We do not regard these shortages in all the present circumstances as a reason for refusing the claims now but as a reason for some special provision which we have incorporated in the order hereinafter made.

That is a statement from gentlemen who have adjudicated on wages and conditions in the court over a number of years. They say that the control of prices makes for shortages. Although it was decided to decontrol prices for a particular period, the Prices Ministers meet and once again they say they intend to bring many things under control. The Premier told me once that he was not in favour of controlling anything in plentiful supply and for which there was plenty of competition. In the confectionery trade today there is ample supply and great competition between all States, and yet the Prices Ministers say it is necessary to fix the price of confectionery.

Mr. Teusner—Canneries in my district could use the sugar.

Mr. DUNKS—But you are not going to get supplies by the fixing of prices. I think the honourable member is suggesting that we should have some system of rationing. If we are short of sugar the blame lies in Queensland, probably on the sugar plantations, but I might be safer in saying it rests on shipping and the waterside workers. The price of chocolates, for instance, has increased almost entirely because of the price of the cocoa beans which come from the Gold Coast of Africa. When the price of these beans is advanced it is only a natural corollary that the price of chocolates is increased. If the price goes up too high there will be a buyers' resistance. There is a limit to the price which can be charged for things looked upon as luxuries. If those who make goods could get a price commensurate with the cost of manufacture they would be prepared to ask their employees to work overtime, but it is impossible to pay the extra wages built up under the inflation spiral. After employees have been worked a certain time double rates apply and they are given other concessions which make it almost prohibitive for profits to be made at ordinary rates. A man would be a lunatic to pay such rates when the price of his goods is controlled. I have said that the Federal system was one of profit control and not price control, because all and sundry were asked to send in their trading accounts. If a firm had a good trading account it was told it could not get an increase, but those with bad trading accounts, as a result of not taking a proper interest in their affairs, could approach the Prices Commissioner with a sad story and possibly would be granted an increase in their prices. That has been done over and over again. I have always contended that if a business made a profit last year and continued to make a profit this year and sought an increase in prices because of the cost of raw materials and labour, it should not be asked to furnish a trading account to the Prices Branch. If the wages in my industry are increased by 5 per cent and the cost of raw materials by 3 per cent all I should have to do is to go to the Prices Branch and say, "With the new wage rates applying, that is what it costs me to manufacture compared with a month ago," but that does not happen. There are industries in South Australia which have been waiting for three months to get an adjustment in their prices and in the meantime the cost of raw materials has increased probably 5 or 6 per cent and wages have gone up 1 or 2 per cent. The branch is too

slow in giving decisions. It should be an easy matter. As regards the Arbitration Court, members will recall the time when workers went on strike because they could not get into the Arbitration Court. A Commonwealth Labor Government then decided to appoint a number of conciliation commissioners to hear cases. These men have speeded up decisions and given the workers an award long before they would have got one had they appeared before the Arbitration Court. I am prepared to accept this legislation for the time being, but I think something should be done by the Prices Branch to speed up decisions. It is not fair that the imposts must be carried until the Prices Branch makes a decision.

Mr. Riches—Sometimes goods are placed under the counter until a decision is made.

Mr. DUNKS—I think the honourable member would do the same as the average trader who is in business to make a profit. He has to pay rent, interest on his overdraft, and the wages of his employees, and if anything is left it belongs to him. Wages are fixed on the basis of an employee working the full 40-hour week, but because of difficulties sometimes he does not work more than 36 hours in the week. When a holiday comes he has to be paid, yet nothing is produced. Perhaps it would be a good idea to guarantee an employer of labour a profit whether it is earned or not in the same way as the employee gets a full week's wages whether or not he works the full week. I am satisfied that this legislation should continue for the time being, but it would be better to have unified control. Then decisions would be made more quickly, and if a man could show that he had to carry additional imposts, whether he were a profit maker or a profit loser, he would get a quick decision. I suggest that the traders who have imposts placed upon them should get relief as soon as possible. There will be another increase in the basic wage soon, and it will come before the Prices Branch has made a decision on prices following the last increase in the basic wage. I support the legislation with regret and hope that next year I shall not be asked to support a similar Bill.

Mr. STOTT (Ridley)—Mr. Dunks spoke about the slowness of decisions of the Prices Branch where increases are justified. I regret that that is the position, particularly in this State.

The Hon. S. W. Jeffries—Why do you say that?

Mr. STOTT—I do not mean that it is peculiar to this State because it happens in other States. Following the last increase in the basic wage the Prices Branch refused certain industries permission to add the increase to their costs of production. The Government which controls subsidies should be the Government to control prices. I agree with Mr. Dunks that it would be better to have unified control because we know what happens when seven States try to control prices. There is a very difficult butter position in Queensland, and now that State has decided to compel butter to be sold there at a price below what most other States say is a reasonable price. The Commonwealth Government works under a restricted Constitution, and has no power to peg wages. The previous Labor Government and the present Government found it necessary to take action to control prices in an attempt to prevent the inflationary spiral. The Chifley Government referred the matter to the people but they refused to give the Commonwealth power to control prices, with the result that the States now control them. The point I am making is that it is very difficult for the Commonwealth Government, under its limited Constitution, to take all the steps necessary to control the position completely. Much has been said about the coalminers but, though I do not agree with all the pettifogging strikes in which they have indulged, it is true to say that even though they worked 48 hours a week and produced all the coal possible with the mechanized equipment in the mines it would be impossible to shift it from Newcastle to Sydney, because the transport system could not handle it. Ten or 12 years ago there were over 100 small colliers carrying coal to Sydney, but today there are only 10, and the railways are quite inadequate. It may be asked why they do not replace these ships. Most of them have been destroyed by storm and orders have been placed for new ones, but they will not be forthcoming for from three to five years; in the meantime the cost of turbines has risen from £1,000 to over £5,000. Even supposing the transport systems were fully equipped and the coal reached Sydney the electricity undertakings have not the capacity to keep the wheels of industry turning. It is therefore futile and completely erroneous to blame the coal miners alone. It has been said that the Government should control inflation by cutting out some public works, such as the Snowy River diversion scheme, which was designed for two or three purposes—

The SPEAKER—Is the honourable member able to link that up with the Bill? I do not want members arguing the rights and wrongs of Commonwealth Government expenditure.

Mr. STOTT—I would link it up with price control by saying that if the Snowy River diversion scheme is curtailed and the hydro-electric power cannot be supplied to Sydney and Melbourne production will obviously be curtailed, and without greater production we cannot hope to get prices down. Luxury goods are outside of price control and that simply aggravates the problem because the manufacturers of such goods are able to offer more attractive wages by virtue of being able to sell at uncontrolled prices, and this diverts manpower from the more essential industries. It is very difficult to put everything into a schedule and I too believe that it would be better if we could abolish legislation of this character, but while we are in the present state of disequilibrium in the production of goods we cannot do without some form of price control.

Mr. Whittle—No-one has ever suggested it.

Mr. STOTT—There have been arguments that if we did away with it prices would adjust themselves eventually.

Mr. Whittle—I do not think anyone has said he would vote against the Bill.

Mr. STOTT—No. It is rather amusing that, despite all the arguments against it, they still say they must support the measure. I am trying to justify it because of the very bad state of affairs in South Australia and the other States, and I am hoping that we will reach a normal state of affairs more quickly than some expect and thus be able to do without controls. I hope that the Government, and particularly the Treasurer, will consider putting on more officers, if necessary, to enable the Prices Commissioner to make quicker decisions and give industries their just rewards when wages and materials go up, for he takes far too long to make decisions and this leads people to become dissatisfied. I support the second reading.

Mr. CHRISTIAN (Eyre)—I support the Bill, but I realize the time is not appropriate to abandon price control on certain lines completely, particularly those in short supply. The best answer to the suggestion that we should have abandoned price control a long time ago was the example of U.S.A., which did so after the war ended. Everyone knows how prices there soared even beyond the ceiling, and she very soon found herself compelled to reintroduce price control.

Mr. Dunks—But she had wage control as well.

Mr. CHRISTIAN—Perhaps the two should go hand in hand, but I want to refer to only one matter, and that is the suggestion I saw in tonight's *News* that, at the next Prices Ministers' Conference in Melbourne shortly, the price of petrol was likely to be increased by 1d. a gallon. There have been quite a number of increases in the price of motor fuel and before anything is determined a very close examination of this industry should be made. Petrol and other liquid fuels are the life-blood of our transport systems—not only road, but also the railway in many respects, as well as sea and air. All these methods of transport depend wholly or largely on these imported fuels, many of which are refined in Australia. The companies have from time to time approached the various Governments and made out strong claims for increases in the prices of their commodities; but notwithstanding those claims and all that has been said on the subject I have repeatedly seen press statements and balance-sheets published by some of those companies disclosing high profits and substantial dividends paid to shareholders. Only last December a smaller concern which I think is purely Australian paid a dividend of 15 per cent. At the same time that company had been able to engage in very extensive advertising which went beyond the needs of any industry. It had also employed considerable funds in the sporting field in providing trophies and cups. Constantly over the radio we hear of the distribution of tremendous sums of money as prizes to people participating in quizzes and programmes of that nature. I take it all those avenues are regarded as legitimate advertising; but I suggest that an unnecessary amount of money is spent in this manner, for there is no need for any of these fuel companies to advertise their products. People must use fuel, and it does not matter which brand they buy. I believe they all come out of the same tanker.

Another unjustified and unwarranted expense was incurred in Adelaide last year when, I suppose, more than £100,000 was employed in converting the manual pumps to electric pumps for the distribution of these fuels. If ever there was an inopportune time for such expenditure it is in these days, when we have a tremendous shortage of the materials and labour used on this task. The work should never have been allowed, and its cost should

not be allowed as a legitimate item of expenditure in the balance-sheets of these companies.

The Hon. S. W. Jeffries—It saves manpower ultimately.

Mr. CHRISTIAN—I do not think so. Is there a single garage which employs one man less as a result of these installations?

The Hon. S. W. Jeffries—The petrol can be supplied more quickly.

Mr. CHRISTIAN—Yes, but what is a minute or two spent at a garage to a motorist? What is of far greater consequence to him is the higher price constantly being demanded for these fuels. I speak not only of the pleasure motorist who may be able to afford it, but our transportation system throughout the Commonwealth depends on cheap fuels. Not only have we this constant increase in price, but a tremendous tax of 10d. a gallon is still imposed on our petrols today. Some time ago I heard that the Federal authorities were keen that the prices of certain fuels should be increased by our Prices Ministers. My reaction to that proposal would be to tell the Federal Government "When you are prepared to consider the reduction of the fuel tax we will talk turkey with you in regard to an increase in price." The petrol tax is the greatest impost that our transport system has ever had to bear. I protest at the further suggested increase in the price of these fuels. While there may have been some stronger resistance to the increase in the price of petrol, that resistance has by no means been as strong with regard to other fuels which are just as important. I notice from my sales account that the prices of fuel oil, distillate and diesel fuels have crept up until today there is hardly any advantage in using diesel fuel as compared with fuel kerosene.

Mr. Shannon—Ample supplies of fuels are available today.

Mr. CHRISTIAN—It is not a matter of shortage of fuels today. Not only are the prices of these other fuels increasing; the indirect effect is being felt in many other fields, such as the school transport system. Country members today are continually being requested for extensions of school transport systems. At the same time the department is being asked to increase the rates because of ever-growing costs, one of which is that of fuel. Every time the price of fuel is increased these people are entitled to claim an increase in the cost of their service.

Another feature to which I must draw attention is the anomaly existing in this State regarding the differences between the prices of fuels in various towns. I have raised this matter before and have never yet been convinced that there should be a discrepancy, for instance, of 4d. a gallon between the prices of fuel at Port Adelaide and Port Lincoln. Both places have the same installations at which tankers unload.

Mr. Dunks—Are those prices fixed by the Prices Commissioner?

Mr. CHRISTIAN—If not fixed they are at least approved by him. The only possible reason for a discrepancy in the prices could be the small quantity handled at Port Lincoln. It seems that bulk installations have not achieved anything towards cheapening the distribution of fuel. The companies have always claimed, and their claims have been upheld by the Prices Commissioner, that it costs just as much to land petrol now in my home town on Eyre Peninsula as it did before the bulk storages were installed at Port Lincoln. Before the war, when there were no storages at that port, petrol in my home town was 5d. a gallon dearer than in Adelaide, but today it is 8½d. dearer.

Mr. Stott—Duty is included in that.

Mr. CHRISTIAN—The same duty applies to petrol at Port Adelaide as at Port Lincoln. If there were any virtue in having bulk installations the original difference of 5d. a gallon should be less now.

The Hon. S. W. Jeffries—Did the companies ever give an explanation of the present difference of 8½d.?

Mr. CHRISTIAN—They gave a most curious explanation. They base their cost of petrol delivered to, say, Minnipa or Wudinna on the cost at Port Adelaide, plus the freight in drums.

The Hon. S. W. Jeffries—What was the explanation of the difference in price between Port Adelaide and Port Lincoln?

Mr. CHRISTIAN—I have never heard an explanation to convince me or anyone else.

Mr. Pattinson—It must have been explained to the satisfaction of the Prices Commissioner.

Mr. CHRISTIAN—Yes, but I have never been satisfied after conferring with him about it.

Mr. Whittle—Do all companies have bulk installations at Port Lincoln?

Mr. CHRISTIAN—No, but during the war, under the pooling system, they all obtained their petrol from those tanks for distribution

on Eyre Peninsula. Very little petrol was freighted from Port Adelaide. Notwithstanding that, the Commonwealth prices authorities did not disturb the arrangement and allowed the discrepancy of 4d. a gallon between Port Adelaide and Port Lincoln to remain. They were the first authorities to fall down on their job. Once a thing like this becomes an established practice it seems that no Prices Commissioner or Minister can disturb it, so the people on Eyre Peninsula have to foot the bill. This aspect should be examined before the companies are permitted any further increases in the price of fuel supplied to people there. I support the Bill.

The Hon. T. PLAYFORD (Premier and Treasurer)—I thank members for the consideration they have given to this measure, particularly the member for Angas, who outlined the history of price control in Australia. However, price control is not novel legislation. Ancient history would probably give examples of it. It is designed to prevent exploitation and there is as much need to stop exploitation in prices as in any other matter. Magna Carta was the foundation of British justice. An Act passed in 1266 controlled the prices of bread and ale. It stated, "When a quarter of wheat is sold for 3s. or 3s. 4d. and a quarter of barley for 20d. or 2s. and a quarter of oats for 16d., then brewers in cities ought and may well afford to sell two gallons of beer or ale for 1d., and out of cities to sell three or four gallons for 1d., and out of a town they ought to sell four. Bread shall be weighed by the middle price of wheat and the weight of bread shall not be changed except by 6d. increasing or decreasing in the sale of a quarter." I have always heard that Magna Carta was the foundation of our British liberties and that from it the common people first derived some rights. Price control was a weapon that was used by the first Parliament of England to ensure that there should be no exploitation under certain conditions. That is something that honourable members should consider. Why should we allow one form of exploitation but not another? I have noticed a tendency in this debate for honourable members to agree to the Bill provided price control applies to the other fellow—it being a good idea to have price control for everything you buy, but not for anything you sell. I believe that price control at this time should apply to everything which in the national interest should be controlled.

Mr. Dunks—To meat on the hoof?

The Hon. T. PLAYFORD—Yes, if practicable. The honourable member has said on a number of occasions that it was not practicable to control real property and that it should be exempt from price control. I agree with him that it was very difficult because purchasers connived with sellers to evade the provisions of the Act. In the interests of the people price control should be made effective wherever that is possible. I know there will be arguments as to what should be controlled, and it will possibly never be solved to everyone's satisfaction. There is no doubt that in a time of steeply rising prices there is a strong inflationary trend. If we can dampen that inflation by the judicious use of price control there can be no argument against it. Some honourable members have said that under Commonwealth control there was no delay in the fixing of prices. One only has to look at *Hansard* to see that the same honourable members registered protests in this House against the delay which occurred when the Commonwealth authorities were exercising price control. It stands to reason that a centralized form of control must involve longer delays than a system of control by the States. Under Commonwealth control the State Prices Commissioner had to make up his mind what was a fair increase on a particular item and then send that price to Canberra and await approval. Often a recommendation from this State remained unanswered for six or eight weeks. I sometimes see in the press that a price increase is necessary for a certain commodity and that an application has been made to the Prices Branch, but when I come to examine the position I find that a person has applied for an increase on a commodity without giving any supporting evidence. The Prices Commissioner then acknowledges receipt of the application and asks the applicant to submit information which would justify an alteration. Sometimes three or four months elapse before the information is submitted and on occasions nothing more is heard of the application. Yet later we are told that the application has been before the Prices Commissioner for three months without his giving a decision. I believe the South Australian prices officers have done an extremely good job and tried to act fairly as between buyer and seller. I do not know one industry which has been adversely affected by price control, and if the honourable members can tell me of one I should like to hear about it.

Mr. Moir—What about butter?

The Hon. T. PLAYFORD—An agreement was arrived at between the Commonwealth Government and producers governing the price of butter for a stipulated period. The terms of the agreement were never placed before the State Government for ratification and in my opinion it was not a very good agreement for the industry. The time came when they wanted it altered. It did not provide a standard of living equal to that enjoyed by other Australians, but among other things provided for longer hours than those worked by other industries—a seven day week.

Mr. Riches—Those things were not in the agreement.

The Hon. T. PLAYFORD—Yes they were. I believe a 56-hour week was in the agreement up to last year and it is only now that it has been altered in some States. The award under which New South Wales and Queensland are working is based on a 56-hour seven-day week. In South Australia everything possible was done to get a reasonable price for the dairy industry. I am confident that every industry in this State would say that our Prices Branch has endeavoured to give it a fair deal. Delays occurred because the agreement had to be altered prior to the date of its termination.

Mr. Frank Walsh—Was there not a proviso for a subsidy to be paid by the Commonwealth Government?

The Hon. T. PLAYFORD—It was not a subsidy to the industry, but was related to the price charged the consumers. That agreement, which guaranteed dairymen a price for their products, was between the Commonwealth and the dairymen, and so far as I know the States were not consulted. The Government has placed all Government institutions under price control, which, to be effective, must apply to all sections of the community.

Bill read a second time.

Mr. MACGILLIVRAY moved:—

That it be an instruction to the Committee of the whole House that it has power to consider a new clause exempting services provided by municipal and district councils from price control under the principal Act.

Motion carried.

In Committee.

Clause 1 passed.

Progress reported; Committee to sit again.

ADJOURNMENT.

At 10.19 p.m. the House adjourned until Thursday, October 4, at 2 p.m.